

**EOG Resources, Inc.**  
**P.O. 1910**  
**Vernal, UT 84078**

June 27, 2005

Utah Division of Oil, Gas, & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

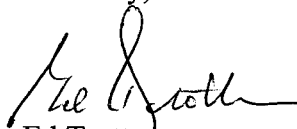
RE: APPLICATION FOR PERMIT TO DRILL  
CHAPITA WELLS UNIT 700-3GR  
SE/NE, SEC. 3, T9S, R22E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0281  
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter  
P.O. Box 1910  
Vernal, UT 84078  
Phone: (435)789-4120  
Fax: (435)789-1420

Sincerely,



Ed Trotter  
Agent  
EOG Resources, Inc.

Attachments

CWU 700-3GR B

RECEIVED

JUL 06 2005

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator  
**EOG RESOURCES, INC.**

3a. Address **P.O. BOX 1815  
VERNAL, UT 84078**

3b. Phone No. (Include area code)  
**(435)789-0790**

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*

At surface **1929' FNL, 599' FEL**  
At proposed prod. Zone

**634901X 40.066900  
4436171Y SE/NE  
-109.418153**

5. Lease Serial No.

**U-0281**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.  
**CHAPITA WELLS UNIT**

8. Lease Name and Well No.  
**CHAPITA WELLS UNIT 700-3GR**

9. API Well No.

**43 047-36 834**

10. Field and Pool, or Exploratory  
**NATURAL BUTTES**

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 3, T9S, R22E,  
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office\*

**16.2 MILES SOUTHEAST OF OURAY, UTAH**

12. County or Parish

**UINTAH**

13. State

**UTAH**

15. Distance from proposed\*

location to nearest  
property or lease line, ft. **599'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

**2558**

17. Spacing Unit dedicated to this well

18. Distance from proposed location\*

to nearest well, drilling, completed,  
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

**5200'**

20. BLM/BIA Bond No. on file

**NM-2308**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

**4842.7 FEET GRADED GROUND**

22. Approximate date work will start\*

**UPON APPROVAL**

23. Estimated duration

**45 DAYS**

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

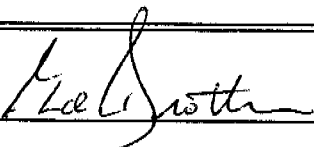
3. A Surface Use Plan (if the location is on National Forest System Lands, the  
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file  
(see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required  
by the authorized officer.

25. Signature



Name (Printed/Typed)

**Ed Trotter**

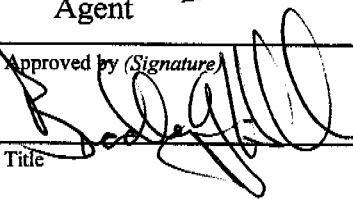
Date

**June 27, 2005**

Title

**Agent**

Approved by (Signature)



Name (Printed/Typed)

**BRADLEY G. HILL  
ENVIRONMENTAL SCIENTIST III**

Date

**07-11-05**

Title

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any statement or representation of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

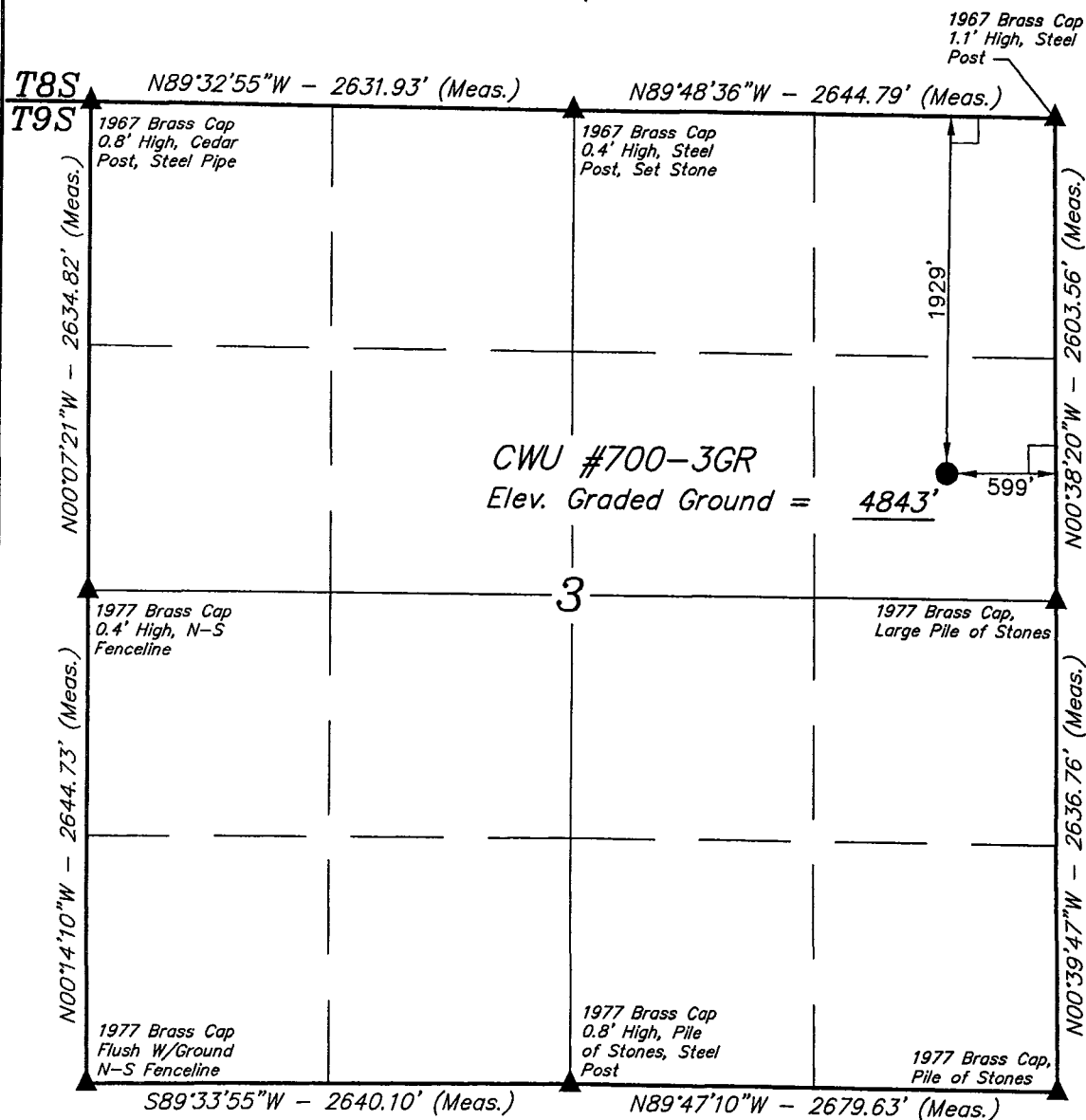
**Federal Approval of this  
Action is Necessary**

**RECEIVED**

**JUL 06 2005**

**DEPT. OF OIL, GAS & MINING**

T9S, R22E, S.L.B.&M.



LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)  
LATITUDE = 40°04'00.86" (40.066906)  
LONGITUDE = 109°25'07.77" (109.418825)  
(NAD 27)  
LATITUDE = 40°04'00.99" (40.066942)  
LONGITUDE = 109°25'05.31" (109.418142)

EOG RESOURCES, INC.

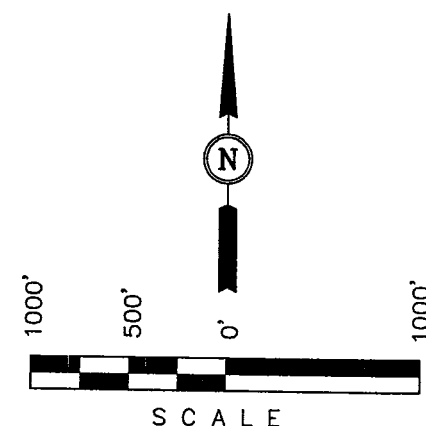
Well location, CWU #700-3GR, located as shown in the SE 1/4 NE 1/4 of Section 3, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

*Robert H. Hays*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 04-14-05	DATE DRAWN: 04-26-05
PARTY G.S. T.B. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 700-3GR**  
**SE/NE, SEC. 3, T9S, R22E, S.L.B.&M**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River	1,697'
Mahogany Oil Shale Bed	2,777'
Upper Garden Gulch	2,845'
Middle Garden Gulch	3,432'
Middle Carb Bed	3,600'
Castle Peak MBR	4,722'
Uteland Butte MBR	4,966'

EST. TD: 5,200' or 200' ± below Uteland Butte Top      **Anticipated BHP:** 2,435 Psig

3. **PRESSURE CONTROL EQUIPMENT:** Production Hole - 3,000 Psig  
BOP Schematic Diagram attached.

4. **CASING PROGRAM:**

<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>LENGTH</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
12 ¼"	0' – 500' +/-KB	500' +/-	9 5/8"	36.0#	J-55	STC	2020 PSI	3520 PSI	394,000#
7 7/8"	500' – TD +/-KB	5,200' +/-	4 1/2"	11.6 #	J-55	LTC	4960 PSI	5350 PSI	162,000#

**All casing will be new or inspected.**

5. **Float Equipment:**

**Surface Hole Procedure (0 - 500' ± Below GL):**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1 – 5-10' above shoe, every collar for next 3 joints (4 total).

**Production Hole Procedure (500' ± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, J-55 or equivalent marker collars or short casing joints to be placed 1000' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (15± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

6. **MUD PROGRAM:**

**Surface Hole Procedure (0 - 500' ± below GL):**

Air/air mist or aerated water

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 700-3GR**  
**SE/NE, SEC. 3, T9S, R22E, S.L.B.&M**  
**UINTAH COUNTY, UTAH**

**MUD PROGRAM (Continued):**

**Production Hole Procedure (500' ± - TD):**

Anticipated mud weight 9.0 – 9.5 ppg depending on actual wellbore condition encountered while drilling.

**500'± - TD** A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (0-500' ± Below GL)**

**Lead:** 275 sks. (100% excess volume) Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft<sup>3</sup>/sk., 4.95 gps water.

**Top Out:** Top out with Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) in mix water, 15.8 ppg, 1.16 ft<sup>3</sup>/sk., 4.95 gps via 1" tubing set at 25' if needed.

Install 6' x 4' cellar ring, drill rat and mouse holes with spud rig.

**Note:** Cement volumes will be calculated to bring cement to surface.

**Production Hole Procedure (500' ± to TD)**

**Lead:** 150 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46(Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 360 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 700-3GR**  
**SE/NE, SEC. 3, T9S, R22E, S.L.B.&M**  
**UINTAH COUNTY, UTAH**

**Note:** Number of sacks is based on gauged hole calculation.  
Lead volumes are to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 500'±):**

Lost circulation

**Production Hole (500'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

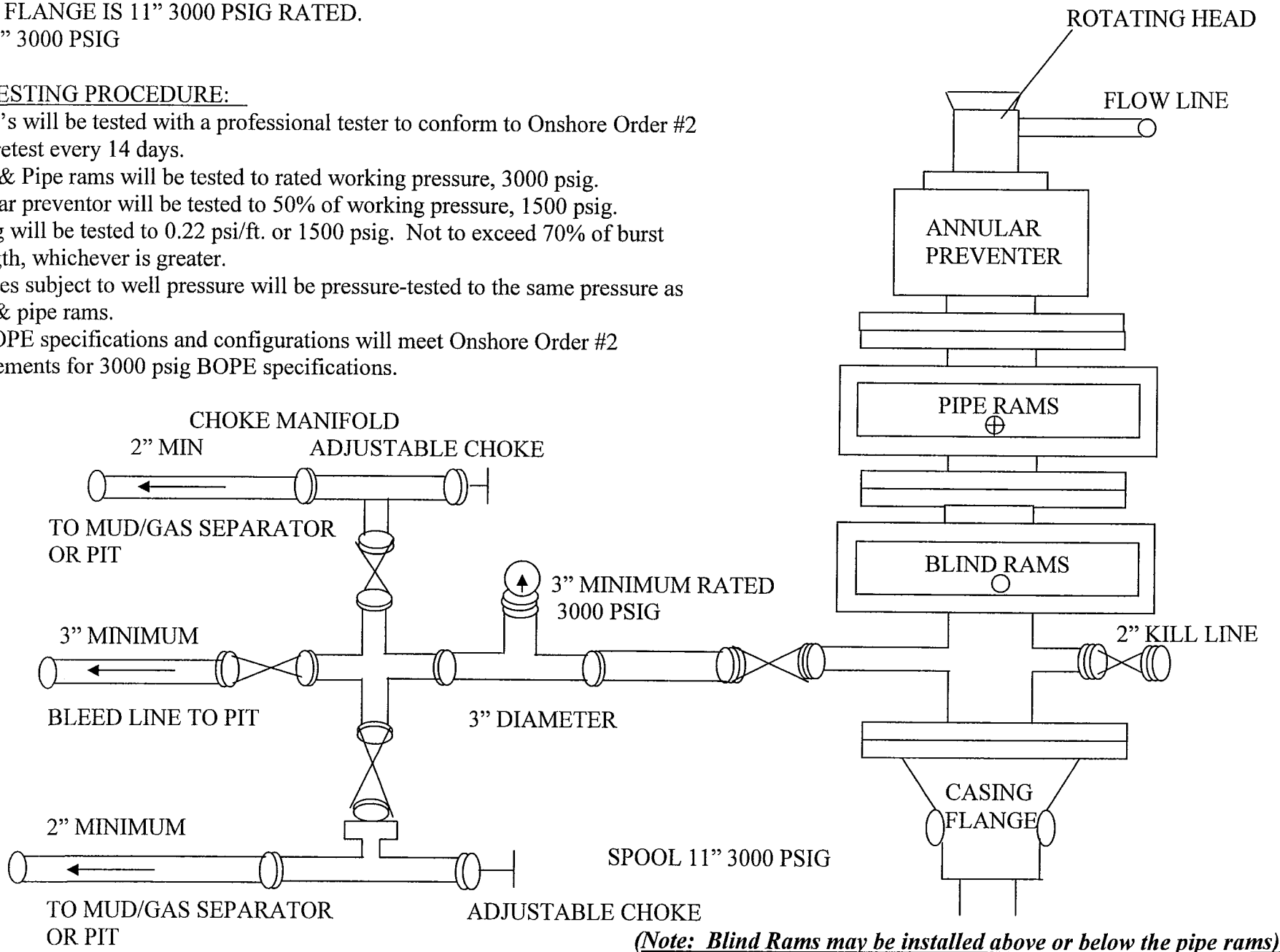
(Attachment: BOP Schematic Diagram)

## 3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG RATED.  
 CASING FLANGE IS 11" 3000 PSIG RATED.  
 BOPE 11" 3000 PSIG

### TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig.
3. Annular preventor will be tested to 50% of working pressure, 1500 psig.
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.



**CONDITIONS OF APPROVAL  
FOR THE SURFACE USE PROGRAM OF THE  
APPLICATION FOR PERMIT TO DRILL**

Company/Operator:	<u>EOG Resources, Inc.</u>
Well Name & Number:	<u>Chapita Wells Unit 700-3GR</u>
Lease Number:	<u>U-0281</u>
Location:	<u>1929' FNL &amp; 599' FEL, SE/NE, Sec. 3,</u> <u>T9S, R22E, S.L.B.&amp;M., Uintah County, Utah</u>
Surface Ownership:	<u>Federal</u>

**NOTIFICATION REQUIREMENTS**

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and  
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related  
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production  
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.



## THIRTEEN POINT SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 16.2 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### 2. PLANNED ACCESS ROAD

- A. An existing access road will be used to service this well. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. **Two 24" culverts will be installed in the existing access road.**
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

A. Abandoned wells - 4\*

B. Producing wells - 36\*

(\*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the North side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a

change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. **LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. **SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore

hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

**On BLM administered land:**

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

**The reserve pit shall be lined with felt and a 12 millimeter plastic liner.**

8. **ANCILLARY FACILITIES**

A. No airstrips or camps are planned for this well.

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
  - Four-Wing Salt Bush – 3 pounds per acre
  - Indian Rice Grass – 2 pounds per acre
  - Needle and Thread Grass – 2 pounds per acre
  - Hi-Crest Crested Wheat Grass – 1 pound per acre.

The reserve pit will be located on the Northeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the East side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence. The stockpiled pit topsoil will be stored separate from the location topsoil. The stockpiled location topsoil will be stored between Corners 5 and 6. Upon completion of construction, **the existing topsoil pile will be re-seeded and** the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the South.

Corner #8 will be rounded off to minimize excavation.

**FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

## 10. PLANS FOR RESTORATION OF SURFACE

### A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast

seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

**B. DRY HOLE/ABANDONED LOCATION**

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

**11. SURFACE OWNERSHIP**

Access road: Federal

Location: Federal

**12. OTHER INFORMATION**

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the

application of herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

**Additional Surface Stipulations**

None

**LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION**

**PERMITTING AGENT**

Ed Trotter  
P.O. Box 1910  
Vernal, UT 84078  
Telephone: (435)789-4120  
Fax: (435)789-1420

**DRILLING OPERATIONS**

Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

### Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 700-3GR Well, located in the SE/NE of Section 3, T9S, R22E, Uintah County, Utah; Lease #U-0281;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

Co-27-2005  
Date

Phil G. Jett  
Agent



# **EOG RESOURCES, INC.**

## **CHAPITA WELLS UNIT #700-3GR SECTION 3, T9S, R22E, S.L.B.&M.**

**PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE CWU #539-3 AND THE PROPOSED LOCATION.**

**TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 47.2 MILES.**

# EOG RESOURCES, INC.

CWU #700-3GR

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 3, T9S, R22E, S.L.B.&M.

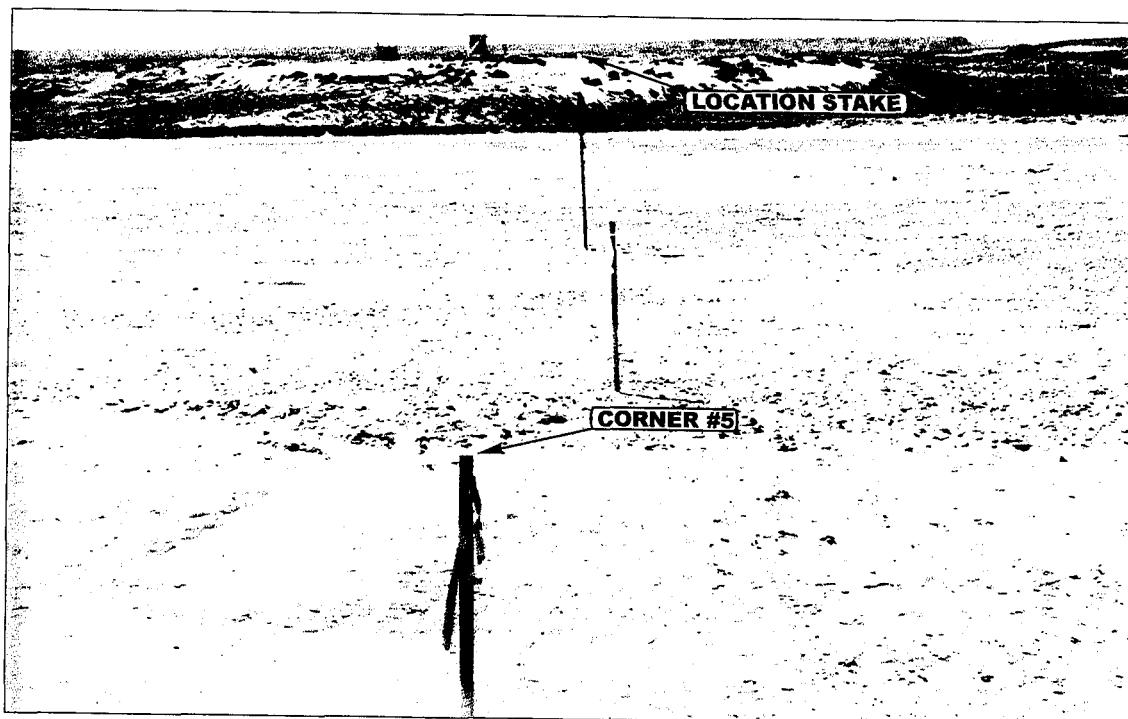


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY

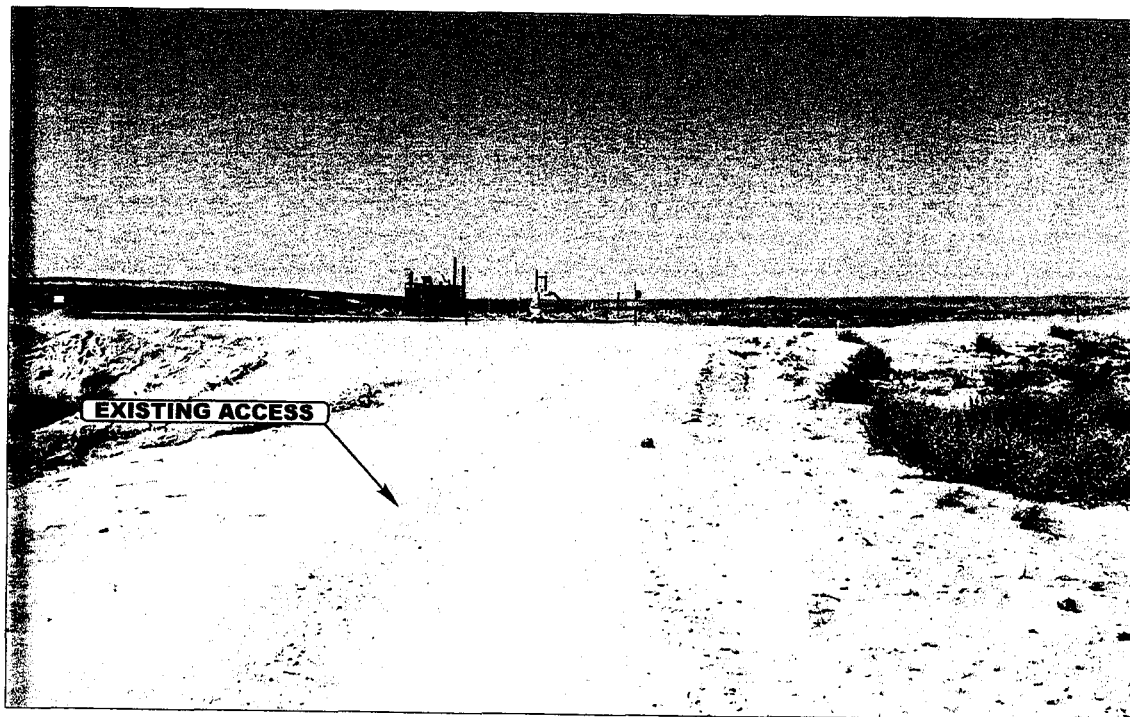


PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHERLY



- Since 1964 -

**E&L S** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

04 19 05  
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

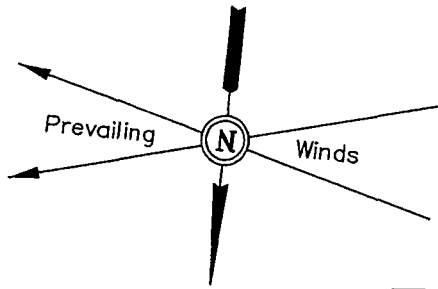
DRAWN BY: S.L.

REVISED: 00-00-00

# EOG RESOURCES, INC.

## LOCATION LAYOUT FOR

CWU #700-3GR  
SECTION 3, T9S, R22E, S.L.B.&M.  
1929' FNL 599' FEL



SCALE: 1" = 50'  
DATE: 4-26-05  
Drawn By: L.K.

Existing Access Road

F-8.7'  
El. 34.0'  
Sta. 3+25

Approx.  
Top of  
Cut Slope

**NOTE:**  
Flare Pit is to be located  
a min. of 100' from the  
Well Head.

El. 46.8'  
C-16.1'  
(btm. pit)

Reserve Pit Backfill  
& Spoils Stockpile

15' WIDE BENCH / DIKE

Total Pit Capacity  
W/2" Of Freeboard  
= 12,250 Bbls. ±  
Total Pit Volume  
= 3,320 Cu. Yds.  
RESERVE PITS  
(12' Deep)

SLOPE = 1-1/2 : 1

El. 40.7'  
C-10.0'  
(btm. pit)

C-0.5'  
El. 43.2'

C-0.5'  
El. 43.2'

F-1.0'  
El. 41.7'

Sta. 0+00

F-0.7'  
El. 42.0'

Approx.  
Toe of  
Fill Slope

Sta. 1+50

Old Topsoil Stockpile

Round Corners  
as needed

Anchor

PIPE RACKS

Anchor

GRADE  
El. 42.7'

DOG HOUSE

GRADE  
El. 42.7'

WELL # 311-26

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TRASH

150'

Anchor

TOILET

TRAILER

FUEL

STORAGE  
TANK

FIGURE #1

## NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4842.7'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# EOG RESOURCES, INC.

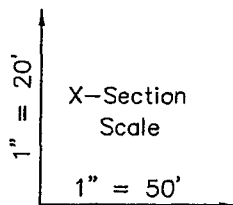
FIGURE #2

## TYPICAL CROSS SECTIONS FOR

CWU #700-3GR

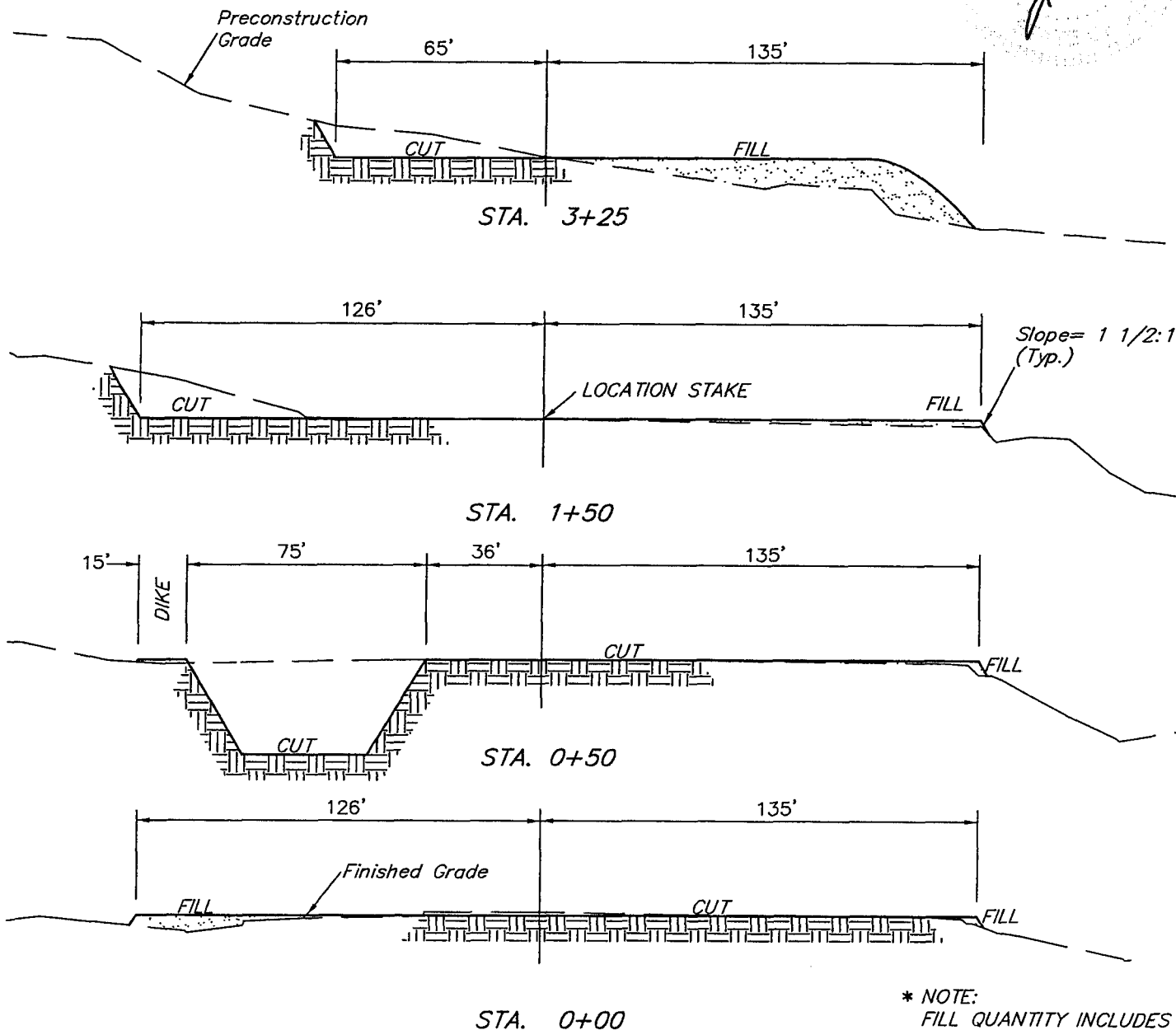
SECTION 3, T9S, R22E, S.L.B.&M.

1929' FNL 599' FEL



DATE: 4-26-05

Drawn By: L.K.



\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

### APPROXIMATE YARDAGES

#### CUT

(6") Topsoil Stripping = 1,490 Cu. Yds.

New Construction Only

Remaining Location = 3,240 Cu. Yds.

TOTAL CUT = 4,730 CU.YDS.

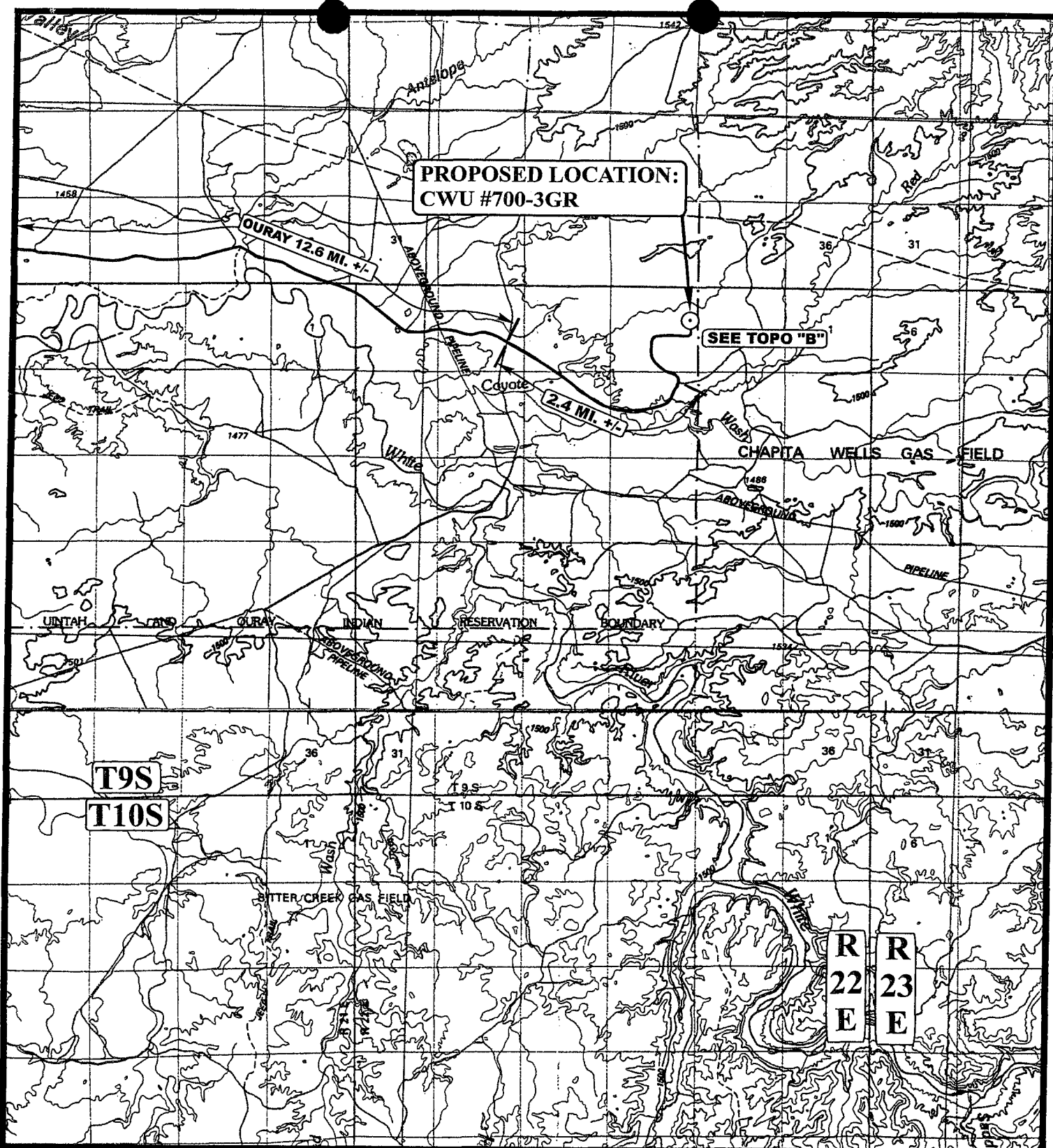
FILL = 2,200 CU.YDS.

EXCESS MATERIAL = 2,530 Cu. Yds.

Topsoil & Pit Backfill  
(1/2 Pit Vol.) = 3,150 Cu. Yds.

EXCESS UNBALANCE  
(After Rehabilitation) = <620> Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



### LEGEND:

**⊙ PROPOSED LOCATION**

## EOG RESOURCES, INC.

**CWU #700-3GR**

**SECTION 3, T9S, R22E, S.L.B.&M.**

1929' FNL 599' FEL

# ULIS

**Uintah Engineering & Land Surveying**  
**85 South 200 East Vernal, Utah 84078**  
**(435) 789-1017 \* FAX (435) 789-1813**

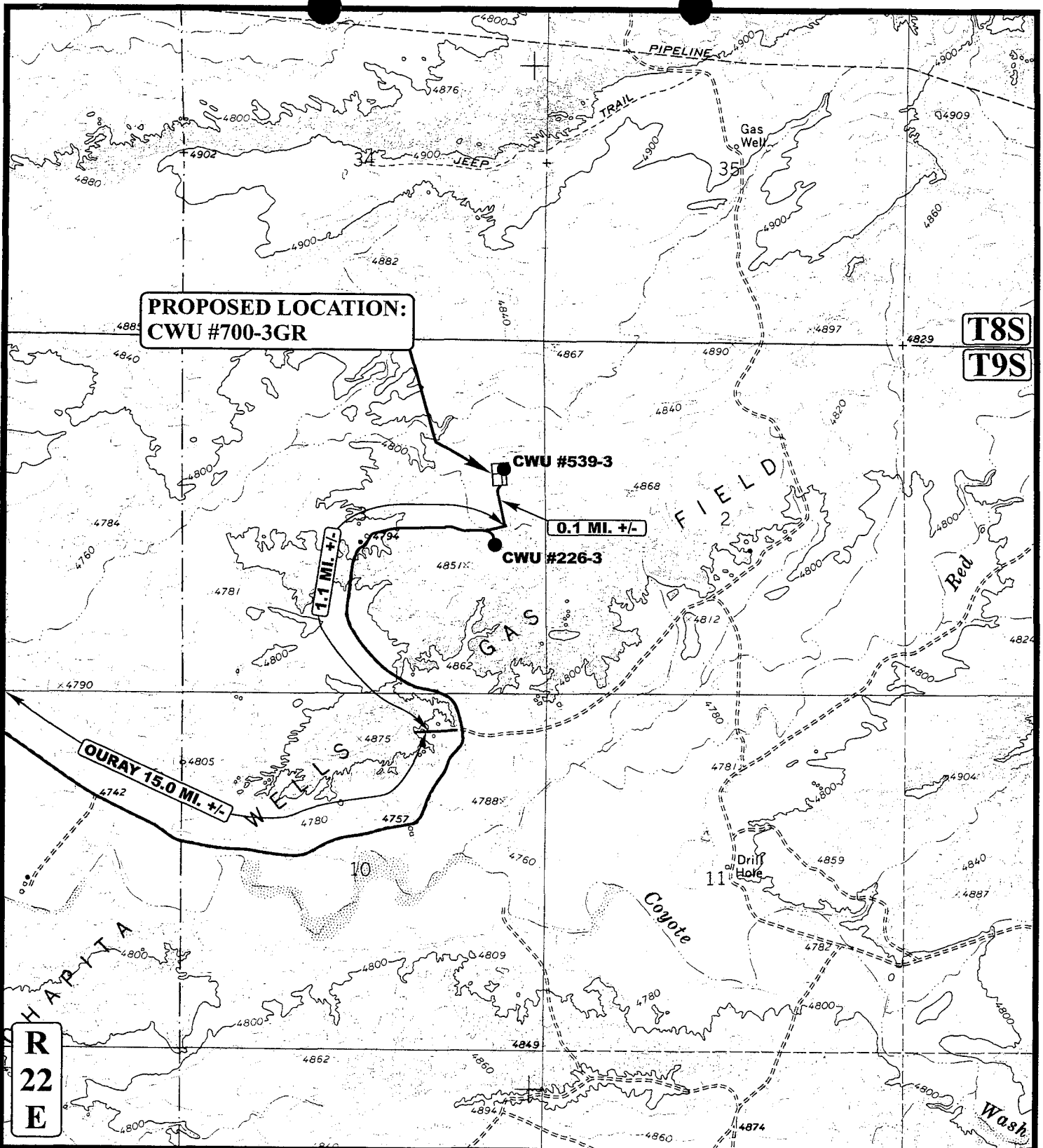
TOPOGRAPHIC  
MAP

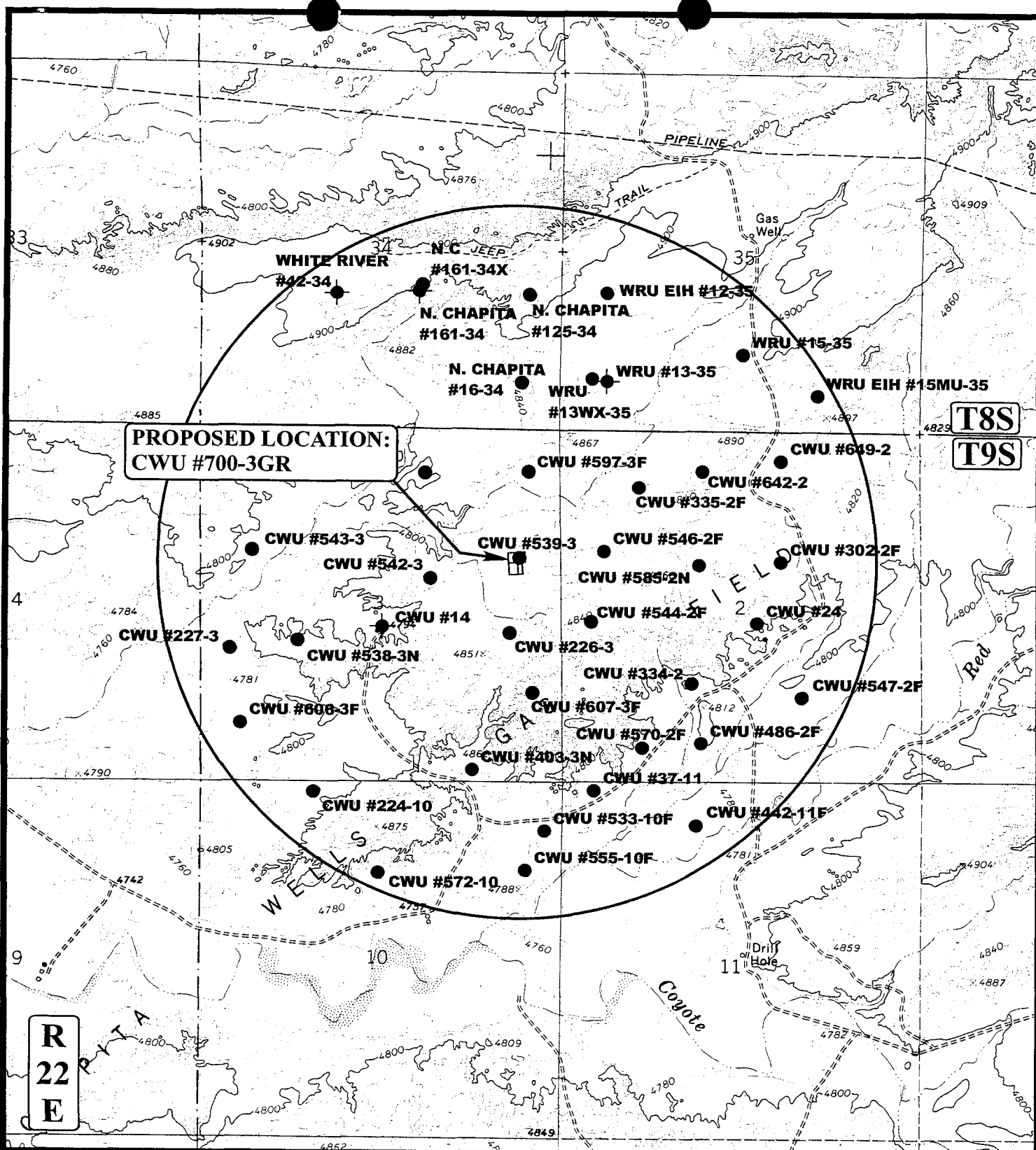
04	19	05
MONTH	DAY	YEAR

SCALE: 1 : 100,000	DRAWN BY: S.L.	REVISED: 00-00-00
--------------------	----------------	-------------------

**A**  
**TOPCO**







# **LEGEND:**

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



**EOG RESOURCES, INC.**

**CWU #700-3GR**  
**SECTION 3, T9S, R22E, S.L.B.&M.**  
**1929' FNL 599' FEL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**04 19 05**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00



**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/06/2005

API NO. ASSIGNED: 43-047-36834

WELL NAME: CWU 700-3GR

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

**PROPOSED LOCATION:**

SENE 03 090S 220E

SURFACE: 1929 FNL 0599 FEL

BOTTOM: 1929 FNL 0599 FEL

UINTAH

NATURAL BUTTES ( 630 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0281

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: CSLPK

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.06690

LONGITUDE: -109.4182

**RECEIVED AND/OR REVIEWED:**

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM-2308 )  
N Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 49-1501 )  
N RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )  
NA Fee Surf Agreement (Y/N)

**LOCATION AND SITING:**

\_\_\_ R649-2-3.

Unit CHAPITA WELLS

\_\_\_ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

\_\_\_ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 174-8

Eff Date: 8-10-1999

Siting: Suspending General Siting

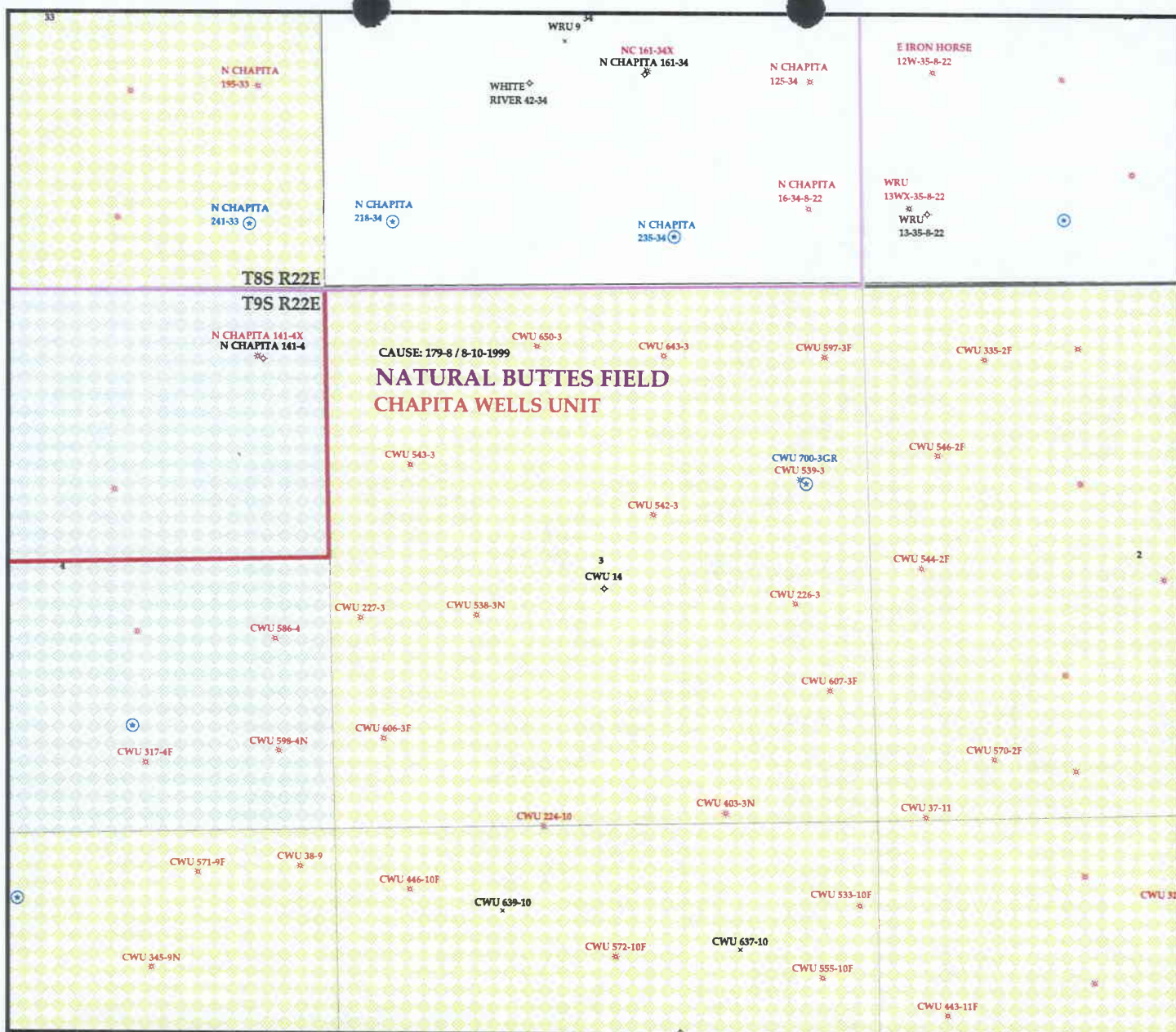
\_\_\_ R649-3-11. Directional Drill

**COMMENTS:**

**STIPULATIONS:**

1- Federal Approved  
2- OIL SHALE





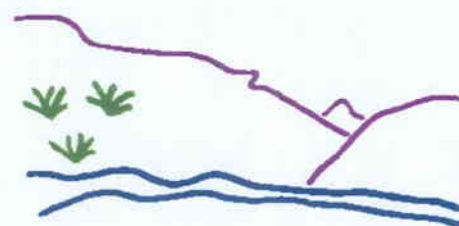
**OPERATOR: EOG RESOURCES INC (N9550)**

SEC: 3 T. 9S R. 22E

FIELD: NATURAL BUTTES (630)

**COUNTY: UINTAH**

**CAUSE: 179-8 / 8-10-1999**



## Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 11-JULY-2005

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

July 11, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2005 Plan of Development Chapita Wells Unit  
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ North Horn)

43-047-36827	CWU 667-6	Sec 6 T09S R23E 0506 FNL 1877 FEL
43-047-36828	CWU 675-6	Sec 6 T09S R23E 1782 FSL 2046 FWL
43-047-36829	CWU 679-6	Sec 6 T09S R23E 0461 FSL 1823 FEL
43-047-36831	CWU 678-6	Sec 6 T09S R23E 1972 FSL 1793 FEL

(Proposed PZ Price River)

43-047-36830	CWU 676-6	Sec 6 T09S R23E 0518 FSL 1929 FWL
43-047-36832	CWU 1047-7	Sec 7 T09S R23E 0567 FSL 1821 FEL
43-047-36833	CWU 671-1	Sec 1 T09S R22E 2560 FSL 0461 FWL
43-047-36834	CWU 700-3GR	Sec 3 T09S R22E 1929 FNL 0599 FEL

As stated in our memo dated June 8, 2005, production from the North Horn formation will be allocated to the Wasatch Participating Area. This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

July 11, 2005

EOG Resources, Inc.  
P O Box 1815  
Vernal, UT 84078

Re: Chapita Wells Unit 700-3GR Well, 1929' FNL, 599' FEL, SE NE, Sec. 3,  
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36834.

Sincerely,

Gil Hunt  
Acting Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.  
Well Name & Number Chapita Wells Unit 700-3GR  
API Number: 43-047-36834  
Lease: U-0281

Location: SE NE      Sec. 3      T. 9 South      R. 22 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

DEC 30 2005

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

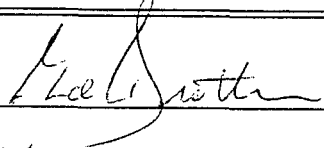
APPLICATION FOR PERMIT TO DRILL OR REENTER

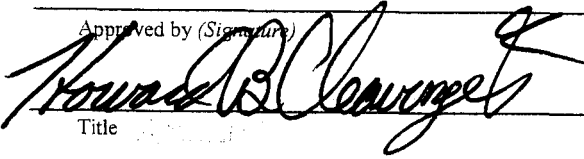
1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		JUL - 5 2005	5. Lease Serial No. <b>U-0281</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG RESOURCES, INC.</b>			7. If Unit or CA Agreement, Name and No. <b>CHAPITA WELLS UNIT</b>
3a. Address <b>P.O. BOX 1815 VERNAL, UT 84078</b>		3b. Phone No. (Include area code) <b>(435)789-0790</b>	8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 700-3GR</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *)  At surface <b>1929' FNL, 599' FEL</b> <b>SE/NE</b> At proposed prod. Zone			9. API Well No. <b>36834</b>
14. Distance in miles and direction from nearest town or post office* <b>16.2 MILES SOUTHEAST OF OURAY, UTAH</b>		12. County or Parish <b>UINTAH</b>	13. State <b>UTAH</b>
15. Distance from proposed* location to nearest property or lease line, ft. <b>599'</b> (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease <b>2558</b>	17. Spacing Unit dedicated to this well	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth <b>5200'</b>	20. BLM/BIA Bond No. on file <b>NM-2308</b>	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4842.7 FEET GRADED GROUND</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>45 DAYS</b>	
24. Attachments			

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) <b>Ed Trotter</b>	Date <b>June 27, 2005</b>
Title <b>Agent</b>		

Approved by (Signature) 	Name (Printed/Typed) <b>Thomas B. Clauger</b>	Date <b>12/16/2005</b>
Title <b>Assistant Director</b>	Office <b>Denver</b>	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

UDOGM



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO  
DRILL**

Company: **EOG Resources, Inc.**  
Well No: **CWU 700-3GR**  
API No: **43-047-36834**

Location: **SENE, Sec 3, T9S, R22E**  
Lease No: **UTU-0281**  
Agreement: **Chapita Wells Unit**

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
<b>After Hours Contact Number: 435-781-4513</b>		<b>Fax: 435-781-4410</b>	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

**NOTIFICATION REQUIREMENTS**

- |   |   |  |
|---|---|--|
| Location Construction<br>(Notify Paul Buhler) | - | Forty-Eight (48) hours prior to construction of location and access roads.   |
| Location Completion<br>(Notify Paul Buhler)   | - | Prior to moving on the drilling rig.   |
| Spud Notice<br>(Notify PE)                    | - | Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify SPT)     | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify SPT) | - | Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(Notify PE)        | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the resspreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:  
9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.
2. As a Best Management Practice (BMP), the pipeline will be buried within the identified construction width of an access corridor that contains the access road and pipelines. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation.
3. Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.
4. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

## ***DOWNHOLE CONDITIONS OF APPROVAL***

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

1. Proposed production casing cementing volumes are inadequate and do not circulate cement to a high enough fill-up. Additional cement beyond the proposed levels indicated in the operators application will need to be pumped. The cement volumes pumped shall include appropriate excess factors. For the cementing program of the production casing string, the circulation or top of cement on the production string is to be at a minimum two hundred feet (200') above the base of usable water. Per BLM estimates, the base of usable water is estimated to be at 1343'. Production casing string circulation or top of cement is to be at or above depth feet 1143 to include ~BsWtrUs.

### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.



No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.

**Please submit an electronic copy of all logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).**

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (1/4 1/4, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

- g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.
- 13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- 14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
- 15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- 16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0281
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1929 FNL 599 FEL 40.066906 LAT 109.418825 LON QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 3 9S 22E S.L.B.&M		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 700-03 GR
PHONE NUMBER: (435) 781-9111		9. API NUMBER: 43-047-36834
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION REQUEST</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining  
Date: 06-29-06  
By: [Signature]

COPIED TO OPERATOR  
Date: 10/6/06  
Initials: RM

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>6/26/2006</u>

(This space for State use only)

RECEIVED  
JUN 28 2006  
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-36834  
**Well Name:** CHAPITA WELLS UNIT 700-03 GR  
**Location:** 1929 FNL 599 FEL (SENE), SECTION 3, T9S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 7/11/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

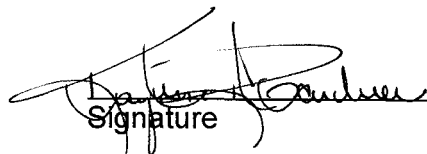
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

6/26/2006

Date

**Title:** REGULATORY ASSISTANT

**Representing:** EOG RESOURCES, INC.

**RECEIVED**

**JUN 28 2006**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address  
**1060 East Highway 40 Vernal, Ut 84078**

3b. Phone No. (include area code)  
**435-781-9111**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1929' FNL & 599' FEL (SE/NE)  
Sec. 3-T9S-R22E 40.066906 LAT 109.418825 LON**

5. Lease Serial No.

**U-0281**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**Chapita Wells Unit**

8. Well Name and No.

**Chapita Wells Unit 700-03GR**

9. API Well No.

**43-047-36834**

10. Field and Pool, or Exploratory Area

**Natural Buttes/Green River**

11. County or Parish, State

**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**EOG Resources, Inc. respectfully requests authorization to change the TD,**

**From : 5,200'  
To: 3,400'**

**Change in casing program,**

	HOLE SIZE	INTERVAL SIZE	WEIGHT	GRADE	THREAD	COLLAPSE /BURST/ TENSILE
Surface	12-1/4"	0' - 500' KB±	9-5/8"	36.0#	J-55	STC 2020 Psi
Production	7-7/8"	500'± - 3150'	5-1/2"	15.5#	J-55	LTC 4040 Psi

**A revised Eight Point Plan, detailing the referenced changes is attached.**

**COPY SENT TO OPERATOR**  
Date: 11-8-06  
Initials: om

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

Date: 11-07-06  
By: [Signature]  
Title **Sr. Regulatory Assistant**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Kaylene R. Gardner**

Signature

Date

**10/20/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**

**NOV 06 2006**

**Federal Approval of this  
Action is Necessary**

**DIV. OF OIL, GAS & MINING**

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 700-03GR**  
**SE/NE, SEC. 03, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Uinta FM	15'
Green River FM	1,694'
Mahogany Oil Shale Bed	2,774'
Green River D-Zone	2,842'
Green River E-Zone	3,016'
Green River F-4-Zone	3,252'
Green River G-Zone	3,322'

**EST. TD: 3,400'**

**Anticipated BHP: 1,590 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

- 3. PRESSURE CONTROL EQUIPMENT:** Production Hole - 2,000 Psig  
BOP Schematic Diagram attached.

**4. CASING PROGRAM:**

							<b><u>RATING FACTOR</u></b>		
	<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
Surface	12-1/4"	0' – 500'KB±	9-5/8"	36.0#	J-55	STC	2020 Psi	3520 Psi	394,000#
Production:	7-7/8"	500'± – 3150'	5-1/2"	15.5#	J-55	LTC	4040 Psi	4810 Psi	217,000#

**All casing will be new or inspected.**

**5. Float Equipment:**

**Surface Hole Procedure (0 - 500' ± Below GL):**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1 – 5-10' above shoe, every collar for next 3 joints (4 total).

**Production Hole Procedure (500' ± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, J-55 or equivalent marker collars or short casing joints to be placed 400' above top of Mahogany Oil Shale. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Mahogany Oil Shale top. (15± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

## **EIGHT POINT PLAN**

### **CHAPITA WELLS UNIT 700-03GR** **SE/NE, SEC. 03, T9S, R22E, S.L.B.&M.** **UINTAH COUNTY, UTAH**

#### **6. MUD PROGRAM:**

##### **Surface Hole Procedure (0 - 500' ± below GL):**

Air/air mist or aerated water

##### **Production Hole Procedure (500' ± - TD):**

Anticipated mud weight 8.5 – 9.0 ppg depending on actual wellbore condition encountered while drilling.

**500'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

#### **7. VARIANCE REQUESTS:**

##### **Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations**

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

#### **8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.



**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 700-03GR**  
**SE/NE, SEC. 03, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

9. **CEMENT PROGRAM:**

**Surface Hole Procedure (0-500' ± Below GL)**

**Lead:** Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) & 0.25 pps  
D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft<sup>3</sup>/sk., 4.95 gps water.

**Top Out:** Top out with Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) in mix water, 15.8 ppg, 1.16 ft<sup>3</sup>/sk., 4.95 gps via 1" tubing set at 25' if needed.

Install 6' x 4' cellar ring, drill rat and mouse holes with spud rig.

**Note:** **Cement volumes will be calculated to bring cement to surface.**

**Production Hole Procedure (500' ± to TD)**

**Lead:** 75 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 370 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Green River FM.  
**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 700-03GR**  
**SE/NE, SEC. 03, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 500'±):**

Lost circulation

**Production Hole (500'± - 3150'):**

Sloughing shales, lost circulation and key seat development are possible in the Garden Gulch Formation.

**Open Hole Drilling (3150'± - 3400'):**

Open hole drilling will be completed with 4-3/4" Bit to 3,400' TD

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

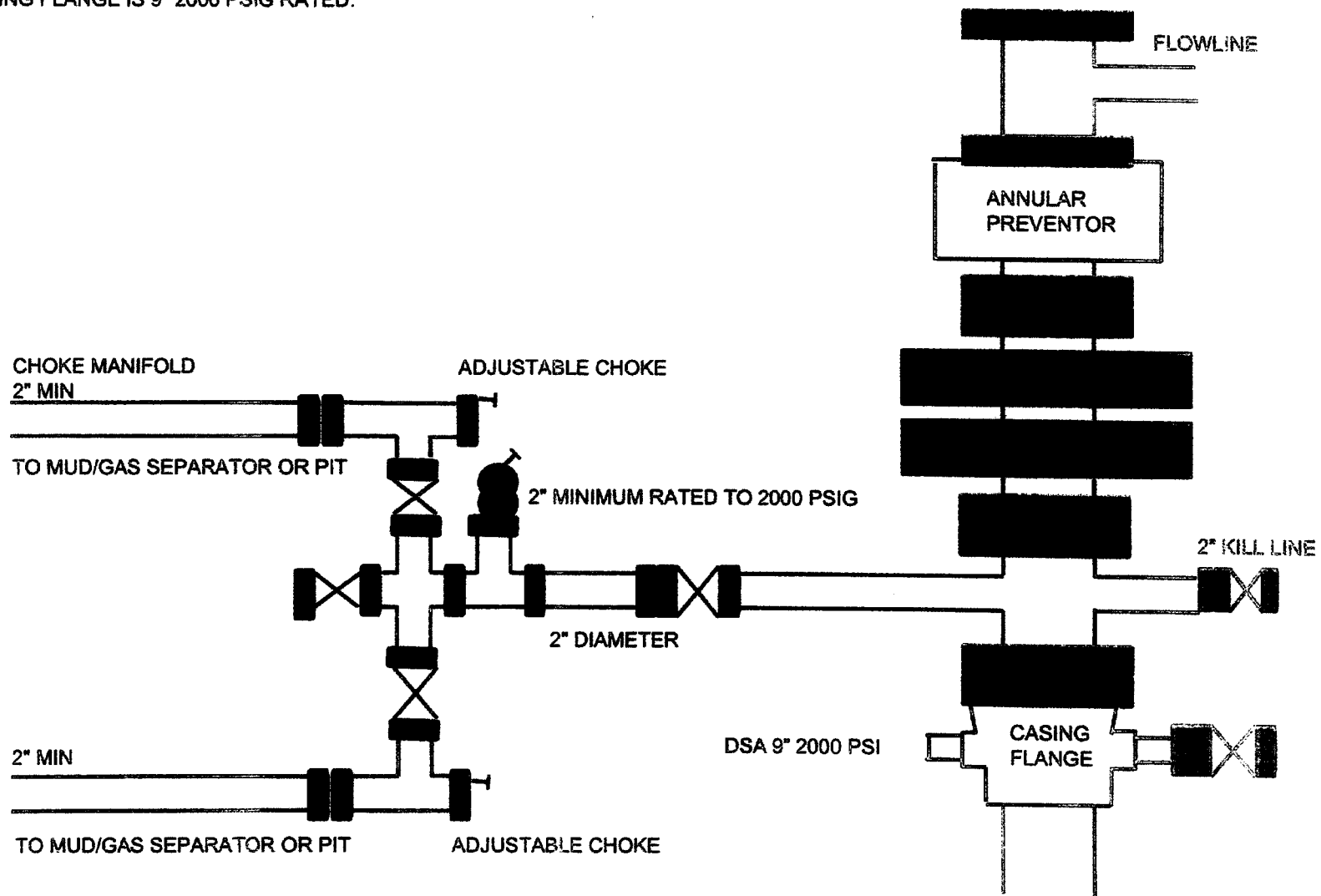
**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

## 2000 PSIG BOPE DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 2000 PSIG RATED.  
CASING FLANGE IS 9" 2000 PSIG RATED.



## DIVISION OF OIL, GAS AND MINING

### **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 700-3GR

Api No: 43-047-36834 Lease Type: FEDERAL

Section 03 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # 1

### **SPUDDED:**

Date 12/10/06

Time 2:30 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by KYLAN COOK

Telephone # (435) 790-8236

Date 12/11/2006 Signed CHD

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc.  
Address: 600 17th St., Suite 1000N  
city Denver  
state CO zip 80202

Operator Account Number: N 9550  
Phone Number: (303) 824-5526

**Well 1**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-36834	Chapita Wells Unit 700-3GR	SENE	3	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15829	12/10/2006	12/13/06		
Comments: <u>GRRV</u>						

**Well 2**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-36823	East Chapita 10-4	NESW	4	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15830	12/9/2006	12/13/06		
Comments: <u>PRRV = MVRD</u>						

**Well 3**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-36923	Chapita Wells Unit 1001-27	NWNW	27	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	13650	12/9/2006	12/13/06		
Comments: <u>PRRV = MVRD</u>						

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mary A. Maestas

Name (Please Print)

Mary A. Maestas

Signature

Regulatory Assistant

Title

12/11/2006

Date

RECEIVED

DEC 11 2006

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1929' FNL & 599' FEL (SE/NE)  
Sec. 3-T9S-R22E 40.066906 LAT -109.418825 LON**

5. Lease Serial No.  
**U-0281**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
**Chapita Wells Unit**

8. Well Name and No.  
**Chapita Wells Unit 700-3GR**

9. API Well No.  
**43-047-36834**

10. Field and Pool, or Exploratory Area  
**Natural Buttes/Green River**

11. County or Parish, State  
**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Well spud</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**The referenced well spud on 12/10/2006.**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**12/11/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**

**DEC 13 2006**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

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☐ Oil Well ☒ Gas Well ☐ Other

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3a. Address  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1929' FNL & 599' FEL (SE/NE)  
Sec. 3-T9S-R22E 40.066906 LAT -109.418825 LON**

5. Lease Serial No.

**U-0281**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**Chapita Wells Unit**

8. Well Name and No.

**Chapita Wells Unit 700-3GR**

9. API Well No.

**43-047-36834**

10. Field and Pool, or Exploratory Area

**Natural Buttes/Green River**

11. County or Parish, State

**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.**

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Ace Disposal
4. RN Industries

**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**12/11/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

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Title

Date

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(Instructions on page 2)

**RECEIVED  
DEC 13 2006**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**

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FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

5. Lease Serial No.  
**U-0281**

**RECEIVED**

6. If Indian, Allottee or Tribe Name

**NOV 21 2006**

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

7. If Unit or CA/Agreement, Name and/or No.

**Chapita Wells Unit**

**BLM**

2. Name of Operator  
**EOG Resources, Inc.**

8. Well Name and No.

**Chapita Wells Unit 700-3GR**

3a. Address  
**1060 East Highway 40 Vernal, Ut 84078**

3b. Phone No. (include area code)  
**435-781-9111**

9. API Well No.

**43-047-36834**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1929' FNL & 599' FEL (SE/NE)  
Sec. 3-T9S-R22E 40.066906 LAT 109.418825 LON**

10. Field and Pool, or Exploratory Area

**Natural Buttes**

11. County or Parish, State

**Uintah County, Utah**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>APD Renewal</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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**EOG Resources, Inc. requests the APD for the referenced well originally approved 12/16/2005 be extended for one year.**

**RECEIVED**

**DEC 21 2006**

**DIV. OF OIL, GAS & MINING**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Kaylene R. Gardner**

Title **Sr. Regulatory Assistant**

Signature

Date

**11/20/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

**Petroleum Engineer**

Date

**DEC 18 2006**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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(Instructions on page 2)

**CONDITIONS OF APPROVAL ATTACHED**

**UDOGM**



# **CONDITIONS OF APPROVAL**

## **EOG Resources, Inc.**

### **Notice of Intent APD Extension**

**Lease:** U-0281  
**Well:** CWU 700-3GR  
**Location:** SENE Sec 3-T9S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 12/16/07.
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Jim Ashley of this office at (435) 781-4470.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

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**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>U-0281</b>
2. Name of Operator <b>EOG Resources, Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>1060 East Highway 40, Vernal, UT 84078</b>	3b. Phone No. (include area code) <b>435-781-9111</b>	7. If Unit or CA/Agreement, Name and/or No. <b>Chapita Wells Unit</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>1929' FNL &amp; 599' FEL (SE/NE) Sec. 3-T9S-R22E 40.066906 LAT -109.418825 LON</b>		8. Well Name and No. <b>Chapita Wells Unit 700-3GR</b>
		9. API Well No. <b>43-047-36834</b>
		10. Field and Pool, or Exploratory Area <b>Natural Buttes/Green River</b>
		11. County or Parish, State <b>Uintah County, Utah</b>

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<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
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As per verbal approval with Michael Lee, Vernal Field Office,

EOG Resources, Inc. requests permission to change the production hole cement procedure to the following:

Lead: 180 sks: "G" cement w/12% D020 (extender), 5.0% DO44 (accelerator), 1.0% DO79 (extender), 0.20% DO46 (antifoam), 0.250% D112 (fluid loss), 0.125 D130 (lost circ) mixed @ 11.0ppg, 3.91 ft 3/sk, 24951 gal/sk water.

Tail: 260 sks "G" cement w/0.20% D065 (dispersant), 0.20% D167 (fluid loss additive), 1.00% S001 (accelerator), 0.125 lbs/sk D130 (lost circ) at 15.8 ppg, 1.17 ft3/sk water.

Surface casing was set at 500'. TD 3400'.

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Kaylene R. Gardner

Title Sr. Regulatory Assistant

Signature

Date

01/19/2007

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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Date

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(Instructions on page 2)

RECEIVED

JAN 24 2007

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

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5. Lease Serial No.

**U-0281**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**Chapita Wells Unit**

8. Well Name and No.

**Chapita Wells Unit 700-3GR**

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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
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**The referenced well was turned to sales on 3/22/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**03/27/2007**

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Approved by

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(Instructions on page 2)

**RECEIVED**

**MAR 29 2007**

**DIV. OF OIL, GAS & MINING**

# WELL CHRONOLOGY REPORT

Report Generated On: 03-27-2007

<b>Well Name</b>	CWU 700-03 GR	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS UNIT	<b>API #</b>	43-047-36834	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	01-18-2007	<b>Class Date</b>	03-22-2007
<b>Tax Credit</b>	N	<b>TVD / MD</b>	3,400/ 3,400	<b>Property #</b>	056748
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,856/ 4,843				
<b>Location</b>	Section 3, T9S, R22E, (SE/NE), 1929' FNL & 599' FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	82.25

<b>AFE No</b>	303399	<b>AFE Total</b>	624,400	<b>DHC / CWC</b>	372,600/ 251,800
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #27	<b>Start Date</b>	07-12-2005
<b>07-12-2005</b>	<b>Reported By</b>			<b>Release Date</b>	01-21-2007

07-12-2005		Reported By									
Daily Costs: Drilling		\$0		Completion		\$0		Daily Total		\$0	
Cum Costs: Drilling		\$0		Completion		\$0		Well Total		\$0	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1929' FNL & 599' FEL (SE/NE)
			SECTION 3, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.066942, LONG 109.418142 (NAD 27)
			RIG: TRUE #27
			OBJECTIVE: 3400' TD, GREEN RIVER F 4-ZONE
			DW/GAS
			CHAPITA GROVE PROSPECT
			DD&A: NATURAL BUTTES
			NATURAL BUTTES FIELD
			LEASE: U-0281
			ELEVATION: 4842' NAT GL, 4842.7' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4843), 4856' KB (13')
			EOG WI 100%, NRI 82.25% BPO
			EOG WI 50%, NRI 43.50% APO

<b>12-04-2006</b>	<b>Reported By</b>	TERRY CSERE
-------------------	--------------------	-------------

<b>Daily Costs: Drilling</b>	\$36,364	<b>Completion</b>	\$0	<b>Daily Total</b>	\$36,364
<b>Cum Costs: Drilling</b>	\$36,364	<b>Completion</b>	\$0	<b>Well Total</b>	\$36,364
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	STARTED LOCATION.

12-05-2006 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$36,364	<b>Completion</b>	\$0	<b>Well Total</b>	\$36,364
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 10% COMPLETE.

12-06-2006 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$36,364	<b>Completion</b>	\$0	<b>Well Total</b>	\$36,364
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 15% COMPLETE.

12-07-2006 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$36,364	<b>Completion</b>	\$0	<b>Well Total</b>	\$36,364
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 20% COMPLETE.

12-08-2006 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$36,364	<b>Completion</b>	\$0	<b>Well Total</b>	\$36,364
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 85% COMPLETE.

12-11-2006 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$36,364	<b>Completion</b>	\$0	<b>Well Total</b>	\$36,364
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION IS 90% COMPLETE.
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12-12-2006 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$36,364	<b>Completion</b>	\$0	<b>Well Total</b>	\$36,364
<b>MD</b>	40	<b>TVD</b>	40	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD AN 20" HOLE ON 12/10/2006 @ 2:30 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. KYLAN COOK NOTIFIED MICHAEL LEE W/BLM AND CAROL DANIELS W/UDOGM OF THE SPUD 12/10/2006 @ 1:30 PM.
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12-19-2006 Reported By JERRY BARNES

<b>Daily Costs: Drilling</b>	\$109,712	<b>Completion</b>	\$0	<b>Daily Total</b>	\$109,712
<b>Cum Costs: Drilling</b>	\$146,076	<b>Completion</b>	\$0	<b>Well Total</b>	\$146,076
<b>MD</b>	537	<b>TVD</b>	537	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	MIRU CRAIGS AIR RIG #2, ON 12/15/06. DRILLED 12-1/4" HOLE TO 580' GL. ENCOUNTERED WATER AT 220'. RAN 12 JTS (524.5') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 4 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 537' KB. RDMO CRAIGS #2 AIR RIG.
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RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 30 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 230 SX (48 BBLs) W/2% CaCL2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CFS. DISPLACED CEMENT W/37.1 BBLs FRESH WATER. BUMPED PLUG W/200/700# @ 1:20 AM, 12/16/2006. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 15 BBL INTO CEMENT. CIRCULATED 7 BBLs OF CEMENT TO PIT. CEMENT STAYED AT SURFACE WHEN PLUG BUMPED. RD BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

RAN SURVEY @ 370', 1 DEG. TAGGED AT 389'.

JOHN HELCO NOTIFIED DONNA KENNY W/BLM OF THE SURFACE CASING &amp; CEMENT JOB ON 12/15/2006 @ 4:00 PM.

01-12-2007 Reported By DUANE C WINKLER

<b>Daily Costs: Drilling</b>	\$21,344	<b>Completion</b>	\$0	<b>Daily Total</b>	\$21,344
<b>Cum Costs: Drilling</b>	\$167,420	<b>Completion</b>	\$0	<b>Well Total</b>	\$167,420

MD 537 TVD 537 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RD RIG AND ROTARY TOOLS

Start	End	Hrs	Activity Description
12:00	18:00	6.0	RIG DOWN EQUIPMENT ON THE CWU 1001-27. PREPARE EQUIPMENT FOR TRUCKS.

TRUE 27 HAD NINE PERSONNEL WORKING ON RIG DOWN  
 TRUCKS WILL BE ON LOCATION 1/12/2007 AT 07:00 HRS TO START RIG MOVE  
 CAMP MOVED 1/11/2007 AT 11:00 HRS  
 MOVE IS ±8 MILES OF ROUGH ROAD

NO ACCIDENTS  
 FULL CREWS  
 NO RIG REPAIRS  
 SAFETY MEETINGS HELD WITH THIRD PARTY CONTRACTORS

TRANSFERRED FROM CWU 1001-27 TO CWU 700-03 GR:  
 3500 GALS DIESEL

NOTIFIED JAKE BIRCHELL W/BLM (435-781-4482) ON 1/11/2007 OF RIG MOVE AND BOP TEST FOR THE CWU 700-03 GR. WESTRO WILL START RIG MOVE 1/12/2007 @ 07:00 HRS. ESTIMATED BOP TEST AND SPUD 1/14/2007.

01-13-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling	\$27,539	Completion	\$0	Daily Total	\$27,539
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Cum Costs: Drilling	\$194,959	Completion	\$0	Well Total	\$194,959
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MD 537 TVD 537 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG MOVE (SEVERE WINTER WEATHER)

Start	End	Hrs	Activity Description
07:00	15:00	8.0	SAFETY MEETING WITH WESTROC TRUCKING, TRUE DRILLING & EOG; RIG MOVE ABOUT WORKING/LOOKING & HELPING EACH OTHER. MOVE TEN RIG LOADS FROM CWU 1001-27 TO CWU 700-03 GR. RIG MOVE WAS 8 MILES OF ROUGH ROAD. SHUT DOWN RIG MOVE DUE TO SEVERE WINTER WEATHER.

WEST ROCK HAD TEN PERSONNEL, TRUE HAD SIXTEEN PERSONNEL  
 NO ACCIDENTS, NO INCIDENCE  
 FULL CREWS  
 NO RIG REPAIRS

ESTIMATED BOP TEST @ 03:00 HRS, 1/14/2007  
 ESTIMATED SPUD @ 14:00 HRS, 1/14/07

01-14-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling	\$92,114	Completion	\$1,100	Daily Total	\$93,214
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Cum Costs: Drilling	\$287,073	Completion	\$1,100	Well Total	\$288,173
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MD 537 TVD 537 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG UP ROTARY EQUIPMENT

Start	End	Hrs	Activity Description
06:00	18:00	12.0	SAFETY MEETING WITH WEST ROC TRUCKING, TRUE DRILLING & EOG: RIG MOVE/WORKING IN SEVER WINTER CONDITIONS/TEAM WORK. MOVED ALL THE LOADS AND RAISED DERRICK. RIG MOVE WAS 8 MILES OF ROUGH ROAD. RELEASED TRUCKS @ 17:00 HRS.
18:00	06:00	12.0	THAW OUT BOILER, ROTARY TABLE, WATER LINES, PUMP MANIFOLD. CHANGE OUT BELTS ON PUMP #2, REPLACE BAD 12" VALVE ON FLOW LINE. REROUTE YELLOW DOG WATER FLOW.

SAFETY MEETING: RIG UP EQUIPMENT

NO ACCIDENTS, NO INCIDENCE

FULL CREWS

RIG REPAIRS CHANGE OUT BELTS ON PUMP

FUEL ON HAND 3889 GALS, USED 524 GALS

ESTIMATED BOP TEST @ 8:00 HRS, 1/14/2007

ESTIMATED SPUD @ 14:00 HRS, 1/14/07

01-15-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling	\$45,278	Completion	\$1,365	Daily Total	\$46,643
Cum Costs: Drilling	\$332,351	Completion	\$2,465	Well Total	\$334,816
MD	537	TVD	537	Progress	0
				Days	0
				MW	0.0
				Visc	0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: SET WEAR BUSHING

Start	End	Hrs	Activity Description
06:00	15:30	9.5	CWU 1001-27 LOCATION CHECKED AND PHOTOGRAPHED. VACUUM TRUCKS HAULED OUT OF RESERVE PIT TO LOWER LEVEL. JCS ROUSTABOUT CREW INSTALL FENCE AND COMPLETE FINAL CLEAN UP ON RESERVE PIT AND LOCATION, RESERVE PIT, LOCATION CLEAN, (NO MATERIALS, TRASH OR EQUIPMENT LEFT ON LOCATION). RIG MOVE EIGHT MILES OF ROUGH ROADS TO THE CWU 700-03 GR. CWU 700-03 GR THAW OUT MAIN DRUM, MANIFOLD, YELLOW DOG. RIG UP ROTARY EQUIPMENT.
15:30	16:30	1.0	NIPPLE UP BOP/DIVERTER.
16:30	22:00	5.5	TEST BOPS/DIVERTER: PRESSURE TEST BOP'S, CHOKE, KELLY, IBOP, TIW AND ALL HP VALVES 250 PSI FOR 5 MIN, 5000 PSI FOR 10 MIN. TEST ANNULAR 250 PSI FOR 5 MIN, 2500 PSI FOR 10 MIN. TEST 9 5/8" CASING TO 1000 PSI FOR 30 MIN. ACCUMULATOR FUNCTION TEST WAS WITH IN LIMITS. REPLACE INSIDE VALVE ON MANIFOLD, REPAIRED LEAK ON FLANGE BETWEEN HCR VALVE AND INSIDE VALVE. AIR FOR SUPER CHOKE FROZEN.

22:00 02:00 4.0 RIG REPAIR: THAW OUT MULTIPLE FROZEN AREAS ON RIG

02:00 06:00 4.0 RIG REPAIR, REPAIR WATER BOX FOR BREAKS

SAFETY MEETING: STEAM LINES/THAW OUT RIG

NO ACCIDENTS, NO INCIDENCE

FULL CREWS

RIG REPAIRS REPAIR: WATER BOX FOR BREAKS

FUEL ON HAND 6732 GALS, USED 757 GALS

06:00

01-16-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling	\$18,767	Completion	\$2,520	Daily Total	\$21,287
Cum Costs: Drilling	\$351,118	Completion	\$4,985	Well Total	\$356,103



MD 537 TVD 537 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: LEVEL RIG TO CENTER OF WELL BORE

Start	End	Hrs	Activity Description
06:00	15:00	9.0	RIG REPAIR, THAW OUT ROTARY EQUIPMENT ON RIG. START DAY WORK 1/14/07 @ 15:30 HRS.
15:00	16:00	1.0	RIG UP LAY DOWN MACHINE.
16:00	19:00	3.0	PICK UP BHA (RIG NOT OVER CENTER OF WELL BORE). LAY DOWN BHA.
19:00	06:00	11.0	RIG REPAIR, RIG DOWN ROTARY TOOLS TO RELEVEL DERRICK.

SAFETY MEETING: STEAM LINES/RIG DOWN ROTARY TOOLS

NO ACCIDENTS, NO INCIDENCE

FULL CREWS

RIG REPAIR: LEVEL RIG

FUEL ON HAND 6059 GALS, USED 673 GALS

01-17-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling	\$9,900	Completion	\$0	Daily Total	\$9,900
Cum Costs: Drilling	\$361,018	Completion	\$4,985	Well Total	\$366,003

MD 537 TVD 537 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO CRANE TO ASSIST THE RELEVELING OF RIG

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RIG REPAIR, DRAIN MUD PITS, FOUR HUNDRED WATER TANKS, BOILER. MOVE WATER TANKS AND PUMPS. ATTEMPT TO LEVEL RIG. MUD HOPPER POSITION WOULD NOT ALLOW TRUCKS INTO PROPER POSITION TO RAISE SUB STRUCTURE. TRUCK WAS NOT CAPABLE OF MOVING MUD HOPPER. RESHOT PUMPS, MUD PITS, BOILER. START UP BOILER AND RIG HEATERS.
18:00	06:00	12.0	RIG REPAIR, WAITING ON CRANE AND TRUCKS TO CENTER RIG OVER WELL BORE. WORK ON RIG. SAFETY MEETING: WORKING WITH HAMMER UNIONS/USING PROPANE TORCHES/TRIP HAZARDS.

NO ACCIDENTS/INCIDENTS

FULL CREWS

RIG REPAIRS

FUEL ON HAND 5535 GALS, USED 524 GALS

ESTIMATE 09:00 HRS FOR CRANE AND TRUCKS TO ARRIVE ON LOCATION TO RELEVEL RIG

01-18-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling	\$56,013	Completion	\$0	Daily Total	\$56,013
Cum Costs: Drilling	\$417,031	Completion	\$4,985	Well Total	\$422,016

MD 537 TVD 537 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: THAWING OUT MUD PUMP

Start	End	Hrs	Activity Description
06:00	20:00	14.0	RIG REPAIR. CENTER RIG OVER WELL BORE, RESET ALL ROTARY EQUIPMENT IN PLACE.
20:00	02:30	6.5	RIG UP PICK UP EQUIPMENT, SAFETY MEETING, PICKUP BHA, RIG DOWN PICK UP EQUIPMENT, TAG CEMENT @ 426'.
02:30	06:00	3.5	FILLING TANKS WITH WATER, SURFACE EQUIPMENT FROZE INSTANTLY. THAWED OUT CIRCULATING EQUIPMENT. PRESENT OPERATION THAWING OUT MUD PUMP SUCTION LINE. RIG REPAIRS LEVEL RIG.

SAFETY MEETING: WORKING WITH CRANE/PICK UP BHA  
 NO ACCIDENTS  
 FULL CREWS  
 FUEL ON HAND 4862 GALS, USED 673 GALS

01-19-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling	\$40,633	Completion	\$0	Daily Total	\$40,633
Cum Costs: Drilling	\$457,664	Completion	\$4,985	Well Total	\$462,649
MD	1,290	TVD	1,290	Progress	780
Days	1	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0		

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	THAW OUT SURFACE EQUIPMENT.
12:00	15:30	3.5	RIG REPAIR, CHANGE OUT STAND PIPE VALVE, VIBRATING HOSE BETWEEN PUMPS.
15:30	17:30	2.0	CIRCULATE AND THAW OUT FROZE UP AREAS ON RIG.
17:30	20:30	3.0	DRILLED, CEMENT, FLOAT COLLAR @ 467', FLOAT SHOE @ 510'. DRILLED 7.875" HOLE FROM 510' TO 635', MW 8.3, VIS SWEEPS, NO LOSS/GAINS.
20:30	21:00	0.5	SURVEY @ 590', .5 DEGREE.
21:00	06:00	9.0	DRILLED 635' TO 1290', 655', UINTA FORMATION, ROP 73', RPM 40/55, MM 80, WOB 5/10K, MW 8.3 VIS SWEEPS, NO LOSS/GAIN.

SAFETY MEETING: FROZEN CONDITONS/SPINNING CHAIN  
 NO ACCIDENTS, NO INCIDENTS  
 FULL CREWS  
 RIG REPAIRS, STAND PIPE VALVE  
 FUEL ON HAND 3665 GALS, USED 1197 GALS

LITHOLOGY: UINTA SH 60%, SS 40%  
 BG GAS 20U/30U, CONN GAS 100U/200U, HIGH GAS 162U @ 1067'

FORMATION TOPS:  
 UINTA 13'

06:00 18.0 SPUD 7 7/8" HOLE ON 1/18/2007 @ 17:30 HRS.

01-20-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling	\$51,249	Completion	\$0	Daily Total	\$51,249
Cum Costs: Drilling	\$508,913	Completion	\$4,985	Well Total	\$513,898
MD	3,031	TVD	3,031	Progress	1,741
Days	2	MW	8.3	Visc	0.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0		

Activity at Report Time: DRILLING GREEN RIVER FORMATION

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILLED 1290' TO 1311', 21', UINTA FORMATION, ROP 42', RPM 40/55, MM 80, WOB 5/10K, MW 8.3, VIS SWEEPS, NO LOSS/GAIN.
06:30	07:00	0.5	SURVEY @ 1228', .5 DEGREE.

07:00	11:00	4.0 DRILLED 1311' TO 1562', 251', UINTA FORMATION, ROP 63', RPM 40/55, MM 80, WOB 5/10K, MW 8.3, VIS SWEEPS, NO LOSS/GAIN.
11:00	11:30	0.5 SERVICE RIG. FUNCTION TEST CROWN-O-MATIC.
11:30	19:30	8.0 DRILLED 1562' TO 2098', 536', GREEN RIVER FORMATION, ROP 72', RPM 40/55, MM 80, WOB 5/10K, MW 8.3, VIS SWEEPS, NO LOSS/GAIN.
19:30	20:00	0.5 SURVEY @ 2020', .5 DEGREE.
20:00	06:00	10.0 DRILLED 2098' TO 3031', 933', GREEN RIVER FORMATION, ROP 94', RPM 40/55, MM 80, WOB 5/10K, MW 8.3, VIS SWEEPS, NO LOSS/GAIN.

SAFETY MEETING: HOUSE KEEPING/METHANOL/FALL PROTECTION  
 NO ACCIDENTS, NO INCIDENTS  
 FULL CREWS  
 NO RIG REPAIRS  
 FUEL ON HAND 6133 GALS, USED 1532 GALS

LITHOLOGY: MAHOGANY OIL SHALE BED: SH 50%, SS 40%, LS 10%  
 BG GAS 400U/500U, CONN GAS 600U/900U, HIGH GAS 9434U @ 1968'

FORMATION TOPS  
 UINTA 13'  
 GREEN RIVER 1662'  
 MAHOGANY OIL SHALE BED 2747'

01-21-2007 Reported By DUANE C WINKLER

Daily Costs: Drilling	\$59,677	Completion	\$73,220	Daily Total	\$132,897
Cum Costs: Drilling	\$568,591	Completion	\$78,205	Well Total	\$646,796

MD	3,150	TVD	3,150	Progress	119	Days	3	MW	0.0	Visc	0.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: BRING WATER TEMPERATURE TO CMT REQUIRMENTS

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILLED 3031' TO 3150' TD, 119', GREEN RIVER FORMATION, ROP 79', RPM 40/55, MM 80, WOB 10/15K, MW 8.3, VIS SWEEPS, NO LOSS/GAIN. REACHED TD ON 1/20/2007 @ 07:30 HRS.
07:30	08:00	0.5	CIRCULATE VIS SWEEP.
08:00	09:00	1.0	SHORT TRIP BIT TO 2970', NO TORQUE/DAG, NO FLOW, MW 8.3, VIS SWEEPS, NO LOSS/GAIN.
09:00	16:00	7.0	SET UP LAY DOWN EQUIPMENT. HELD SAFETY MEETING. LAY DOWN DRILL PIPE, BHA. PULL WEAR BUSHING.
16:00	17:00	1.0	RIG UP CASING CREW EQUIPMENT. HELD SAFETY MEETING. SURVEY @ 3074', 1.75 DEGREE.
17:00	21:00	4.0	RAN TOTAL 73 JTS (71 FULL JTS + 1 SHORT JT + 1 MARKER JT) OF 5 1/2", 15.50#, J-55 PROD CASING. LANDED AT @ 3135' KB. RAN AS FOLLOWS: FS, SHORT JT, FLOAT COLLAR @ 3108', 17 JTS CASING, MKJ @ 2353', 54 JTS CASING. CENTRALIZERS PLACED @ MIDDLE OF SHOE JT, TOP OF JT #2 AND EVERY OTHER JT AFTER FOR A TOTAL OF 20.
21:00	22:30	1.5	CIRCULATE. RIG UP CEMENT COMPANY.
22:30	06:00	7.5	SCHLUMBERGER LOADED THE FRESH WATER ON TO PUMP TRUCK. PUMPS ON TRUCK FROZE UP, BOILER ON RIG CAN NOT KEEP WATER TEMPERATURE SUITABLE FOR CEMENTING, ATTEMPTING TO LOCATE A HOT OILER. TRANSPORTS ARE IN ROUTE TO HAUL HOT WATER TO SITE.

SAFETY MEETING: RUN CASING/FALL PROTECTION  
 NO ACCIDENTS, NO INCIDENTS  
 FULL CREWS  
 NO RIG REPAIRS  
 FUEL ON HAND 5236 GALS, USED 897 GALS

FORMATION TOPS:  
 UINTA 13'  
 GREEN RIVER 1662'  
 MAHOGANY OIL SHALE BED 2747'

<b>01-22-2007</b>	<b>Reported By</b>	DUANE C WINKLER									
<b>Daily Costs: Drilling</b>	(\$20,205)	<b>Completion</b>	\$22,050	<b>Daily Total</b>	\$1,845						
<b>Cum Costs: Drilling</b>	\$548,386	<b>Completion</b>	\$100,255	<b>Well Total</b>	\$648,641						
<b>MD</b>	3,150	<b>TVD</b>	3,150	<b>Progress</b>	0	<b>Days</b>	4	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:00	1.0	CIRC WELL. TRUCKS W/HOT WATER IN ROUTE TO LOCATION. RELEASE MUD LOGGER 1/20/07 @ 15:00 HRS.
07:00	09:30	2.5	SCHLUMBERGER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLS CHEM WASH, 20 BBLS WATER, 125 BBLS LEAD SLURRY, CLASS "G", SLURRY WT 11 PPG, 180 SX. FOLLOWED W/54 BBLS TAIL SLURRY, CLASS "G", SLURRY WT 15.80 PPG, 260 SX. DISPLACED W/74 BBLS WATER. BUMPED PLUG W/1000 PSI. CHECKED FLOATS. LANDED 71 JTS OF 5.5", 15.50#, J-55 CASING. TESTED HANGER SEALS TO 5,000 PSI. CEMENT IN PLACE AT 09:30 HRS, 1/21/07. NO RETURNS DURING DISPLACEMENT.
09:30	12:00	2.5	CLEAN MUD PITS. RIG DOWN.

NO ACCIDENTS, NO INCIDENTS  
 FULL CREWS  
 NO RIG REPAIRS  
 SAFETY MEETINGS HELD WITH THIRD PARTY CONTRACTORS

TRANSFERRED FROM CWU 700-03 GR TO CWU 684-4:  
 5236 GALS DIESEL  
 4 JTS OF 5.5" J 55 CASING (171.81')

RIG MOVE ±3.5 MILES TO THE CWU 684-1  
 MOVING CAMP ON 1/23/2007 @ 07:00 HRS TO CWU 684-1  
 1/22/2007 0700 TRUCKS ARE SCHEDULE TO MOVE RIG  
 ESTIMATED COMPLETING RIG UP 1/23/2007, BOP TEST AND SPUD 1/24/2007,

NOTIFIED JAKE BIRCHELL W/BLM (435-781-4482) OF RIG MOVE AND BOP TEST FOR THE CWU 700-03 GR.

12:00	12.0	RIG RELEASED ON 1/21/2007 AT 12:00 HRS. CASING POINT COST \$585,336
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01-26-2007 Reported By SEARLE

Daily Costs: Drilling (\$20,205) Completion \$7,875 Daily Total (\$12,330)

Cum Costs: Drilling \$528,181 Completion \$108,130 Well Total \$636,311

MD 3,150 TVD 3,150 Progress 0 Days 5 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WAIT ON DRILL OUT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO SURFACE. CEM.ENT @ SURFACE. RD SCHLUMBERGER. WAIT ON RIG TO DRILL OUT GREEN RIVER FORMATION.

02-14-2007 Reported By HISLOP

Daily Costs: Drilling \$10,518 Completion \$375 Daily Total \$10,893

Cum Costs: Drilling \$538,699 Completion \$108,505 Well Total \$647,204

MD 3,150 TVD 3,150 Progress 0 Days 6 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIH W/JUNK MILL

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU ROYAL RIG #2. NU 7 1/16" 5K BOP. TEST BOP & 5 1/2" CSG TO 3500 PSIG. RIH WITH 3 3/4" SMITH ROCK BIT. BIT SUB. 6 3/4" SLICK DRILL COLLARS, X-OVER. 1 JT 2 3/8", 4.7#, N-80 TBG. XN NIPPLE & 88 JTS 2 7/8" TUBING TO 3107'. RU TO DRILL. DRILLED OUT FLOAT COLLAR @ 3108' & CEMENT TO 3138'. STOPPED MAKING HOLE @ 3138'. CIRCULATED W/100 BBLs 2% KCL WATER. POH. CONES ON BIT WERE LOCKED UP. SDFN.

02-15-2007 Reported By HISLOP

Daily Costs: Drilling \$9,758 Completion \$425 Daily Total \$10,183

Cum Costs: Drilling \$548,457 Completion \$108,932 Well Total \$657,389

MD 3,190 TVD 3,190 Progress 0 Days 7 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	18:00	12.0	SICP 0 PSIG. RIH WITH 4-3/4" 3-BLADE MILL, BIT SUB. 6 3-1/2" OD DRILL COLLARS, X-OVER 1-JT 2-7/8" N-80 8RD 6.5#, XN, 89-JTS TUBING TO 3138'. RU TO DRILL. BREAK CIRCULATION WITH 2% KCL WATER. DRILL CEMENT FROM 3138' TO 3147'. FILL FROM 3147' TO 3150'. CIRCULATE CLEAN. POH WITH TUBING & BHA. RIH WITH 4-3/4" REED BUTTON BIT, 3-3/4" PDM MUD MOTOR, 6 3-1/2" DRILL COLLARS, FLOAT SUB. X-OVER, 1-JT 2-7/8" N-80 8RD 6.5# TUBING, XN, 89-JTS TUBING. RU TO DRILL. BREAK CIRCULATION WITH 2% KCL WATER. DRILL NEW HOLE FROM 3150' TO 3190'. PUMPING 2.5 - 3.0 BPM. POWER SWIVEL @ 20-35 RPMS. 4000# TO 10,000# ON BIT. WITH AN AVERAGE RATE OF 6 MIN PER FT. CIRCULATE CLEAN. POH TO 3125'. SWI. SDFD.

02-16-2007 Reported By HISLOP

Daily Costs: Drilling \$7,900 Completion \$375 Daily Total \$8,275

Cum Costs: Drilling \$556,357 Completion \$109,307 Well Total \$665,664

MD 3,190 TVD 3,190 Progress 0 Days 8 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIH W/PDC BIT

Start	End	Hrs	Activity Description
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06:00 17:00 11.0 SITP 0 PSIG. SICP 0 PSIG. RIH TO TAG @ 3190'. BROKE CIRCULATION WITH 2% KCL WATER. DRILLED NEW HOLE FROM 3190' TO 3220' @ 6 FPH. DRILLED FROM 3220' TO 3247' @ 12-14 FPH. PUMP RATE 2 BPM. WOB 4000 TO 8000#. DRILLED FROM 3247' TO 3249' @ 2 FPH & STOPPED DRILLING. POH. BIT OK. SDFN. PREP TO RIH W/PDC BIT.

02-17-2007 Reported By HISLOP

Daily Costs: Drilling	\$10,756	Completion	\$375	Daily Total	\$11,131
Cum Costs: Drilling	\$567,114	Completion	\$109,682	Well Total	\$676,796
MD	3,260	TVD	3,260	Progress	0
		Days	9	MW	0.0
Formation : GREEN RIVER	PBTD : 0.0	Perf : OH		PKR Depth : 0.0	

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 200 PSIG. RIH WITH HYBRID 4-3/4" PDC BIT. BICO 3-3/4" PDM MUD MOTOR, 12 3-1/2" DRILL COLLARS, FLOAT SUB, X-OVER, 1 JT 2-7/8" N-80 6.5# TBG, XN NIPPLE & 83 JTS 2-7/8" TUBING TO TAG @ 3185'. CLEANED OUT BRIDGE FROM 3185' TO 3190'. RIH TO TAG @ 3248'. CLEANED OUT 1' FILL. DRILLED NEW HOLE FROM 3249' TO 3260' IN 15 MIN. PUMP RATE 2-1/2 BPM. 24 RPM ON POWER SWIVEL. TOOK GAS KICK. ATTEMPTED TO CIRCULATE OUT GAS @ 3 BPM & 50-100 PSIG. CP 450 PSIG. CIRCULATED W/130 BBLs KCL WATER. FCP 475 PSIG. POH TO 3096'. SI. 20 MIN SICP 1275 PSIG.

FLOWED ANNULUS 17 HRS. 24/64" CHOKE. SITP 0 PSIG. FCP 650 PSIG. 1 BFPH. RECOVERED 19 BW. 19 BBLs OVER LOAD.

02-18-2007 Reported By HISLOP

Daily Costs: Drilling	\$3,680	Completion	\$375	Daily Total	\$4,055
Cum Costs: Drilling	\$570,786	Completion	\$110,057	Well Total	\$680,843
MD	3,260	TVD	3,260	Progress	0
		Days	10	MW	0.0
Formation : GREEN RIVER	PBTD : 0.0	Perf : OH		PKR Depth : 0.0	

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. SITP 0 PSIG. FCP 600 PSIG. 1 BFPH. RECOVERED 23 BW. 42 BBLs OVER LOAD.

02-19-2007 Reported By HISLOP

Daily Costs: Drilling	\$3,672	Completion	\$375	Daily Total	\$4,047
Cum Costs: Drilling	\$574,459	Completion	\$110,432	Well Total	\$684,891
MD	3,260	TVD	3,260	Progress	0
		Days	11	MW	0.0
Formation : GREEN RIVER	PBTD : 0.0	Perf : OH		PKR Depth : 0.0	

Activity at Report Time: KILL WELL - POH

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. SITP 0 PSIG. FCP 600 PSIG. 1 BFPH. RECOVERED 30 BW. 72 BBLs OVER LOAD.

02-20-2007 Reported By HISLOP

Daily Costs: Drilling	\$42,504	Completion	\$18,284	Daily Total	\$60,788
Cum Costs: Drilling	\$616,964	Completion	\$129,002	Well Total	\$745,966
MD	3,260	TVD	3,260	Progress	0
		Days	12	MW	0.0
Formation : GREEN RIVER	PBTD : 0.0	Perf : OH		PKR Depth : 0.0	

Activity at Report Time: SWAB - FLOW

Start	End	Hrs	Activity Description
06:00	18:00	12.0	CIRCULATED WELL WITH 170 BBLS 2% KCL WATER. NU 7-1/16" 5K SPOOL & 7 1/16" 5K ANNULAR. POH. LD TBG TO 2000'. CIRCULATED HOLE WITH 90 BBLS BRINE WATER. POH, LD TBG & BHA. RIH W/PRODUCTION STRING. LANDED TUBING @ 3060' KB. ND BOP. NU TREE. CIRCULATED OUT BRINE WATER WITH 70 BBLS 2% KCL WATER. SDFN.

## TUBING DETAIL LENGTH

NOTCHED COLLAR 0.91'

1 JT 2-3/8" 4.7# J-55 TBG 31.70'

XN NIPPLE 1.10'

93 JTS 2-3/8" 4.7# J-55 TBG 3013.39'

BELOW KB 13.00'

LANDED @ 3059.61' KB

02-21-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$5,866	Daily Total	\$5,866
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Cum Costs: Drilling	\$616,964	Completion	\$134,868	Well Total	\$751,832
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MD	3,260	TVD	3,260	Progress	0	Days	13	MW	0.0	Visc	0.0
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Formation : GREEN RIVER	PBTD : 3260.0	Perf : OH	PKR Depth : 0.0
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Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	17:00	11.0	SITP 0 PSIG. SICP 0 PSIG. RU TO SWAB. IFL @ SURFACE. MADE 19 RUNS & WELL STARTED FLOWING. RECOVERED 52 BW. CP 400 PSIG. FLOWED 2 HRS. RECOVERED 26 BW & DIED. CP 250 PSIG. MADE 1 SWAB RUN. FL @ 3000'. NO RECOVERY. SLIGHT GAS BLOW. FLOWED 1-1/2 HRS. RECOVERED 4 BW. GAS BLOW TOO STRONG FOR SWAB RUN. CP 275 PSIG. SI. SDFN. 10 BLWTR.

02-22-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$5,544	Daily Total	\$5,544
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Cum Costs: Drilling	\$616,964	Completion	\$140,412	Well Total	\$757,376
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MD	3,260	TVD	3,260	Progress	0	Days	14	MW	0.0	Visc	0.0
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Formation : GREEN RIVER	PBTD : 3260.0	Perf : OH	PKR Depth : 0.0
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Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SITP 1375 PSIG. SICP 1375 PSIG. FLOWED 30 MIN. 32/64" CHOKE. FTP175 PSIG. CP 400 PSIG. RECOVERED 1 BW WITH TRACE OIL. CHANGED TO 24/64" CHOKE. RDMOSU.

FLOWED 23 HRS. 24/64" CHOKE. FTP 400 PSIG. CP 550 PSIG. 2 BFPH. RECOVERED 44 BLW. 34 BBLS OVER LOAD. TRACE OIL.

02-23-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$8,797	Daily Total	\$8,797
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Cum Costs: Drilling	\$616,964	Completion	\$149,210	Well Total	\$766,174
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MD	3,260	TVD	3,260	Progress	0	Days	15	MW	0.0	Visc	0.0
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Formation : GREEN RIVER	PBTD : 3260.0	Perf : OH	PKR Depth : 0.0
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Activity at Report Time: WO PRODUCTION FACILITIES

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 FLOWED 11 HRS. 24/64" CHOKE. FTP 400 PSIG. CP 525 PSIG. 2 BFPH. RECOVERED 10 BLW. 44 BBLS OVER  
LOAD. TRACE OIL. SWI @ 5:00 PM. WO FACILITIES.

FINAL COMPLETION DATE: 2/22/07.

03-16-2007 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion	\$2,000	Daily Total	\$2,000
Cum Costs: Drilling	\$616,964	Completion	\$151,210	Well Total	\$768,174
MD	3,260	TVD	3,260	Progress	0
		Days	16	MW	0.0
Formation : GREEN RIVER	PBTD : 3260.0	Perf : OH		Visc	0.0
				PKR Depth :	0.0

Activity at Report Time: PUT TO PRODUCTION

Start End Hrs Activity Description

24.0 MIRU PLS. RUN BHP GUAGE TO 3015'. RERCORD MAX PRESSURE @ 1459 PSIG. & 103 DEG. RD PLS.

TURN WELL OVER TO PRODUCTION DEPARTMENT TO TURN TO SALES.

03-23-2007 Reported By HEATH LEMON

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$616,964	Completion	\$151,210	Well Total	\$768,174
MD	3,260	TVD	3,260	Progress	0
		Days	17	MW	0.0
Formation : GREEN RIVER	PBTD : 3260.0	Perf : OH		Visc	0.0
				PKR Depth :	0.0

Activity at Report Time: INITIAL PRODUCTION

Start End Hrs Activity Description

06:00 06:00 24.0 INITIAL PRODUCTION. OPENING PRESSURE: TP 550 & CP 700 PSI. TURNED WELL TO QUESTAR SALES AT 2:  
00 PM, 3/22/07. FLOWED 388 MCFD RATE ON 12/64" POS CHOKE.

03-26-2007 Reported By MICHAEL WHITE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$616,964	Completion	\$151,210	Well Total	\$768,174
MD	3,260	TVD	3,260	Progress	0
		Days	18	MW	0.0
Formation : GREEN RIVER	PBTD : 3260.0	Perf : OH		Visc	0.0
				PKR Depth :	0.0

Activity at Report Time: ON SALES

Start End Hrs Activity Description

06:00 06:00 24.0 3/24/07 FLOWED 605 MCF, 1 BO & 1 BW IN 24 HRS ON 12/64" CK, FTP 950 & CP 1000 PSIG.

3/25/07 FLOWED 513 MCF, 10 BO & 10 BW IN 24 HRS ON 12/64" CK, FTP 950 & CP 1000 PSIG.

3/26/07 FLOWED 579 MCF, 1 BO & 2 BW IN 24 HRS ON 12/64" CK, FTP 950 & CP 1000 PSIG.

03-27-2007 Reported By ROGER DART

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$616,964	Completion	\$151,210	Well Total	\$768,174
MD	3,260	TVD	3,260	Progress	0
		Days	19	MW	0.0
Formation : GREEN RIVER	PBTD : 3260.0	Perf : OH		Visc	0.0
				PKR Depth :	0.0

Activity at Report Time: ON SALES

Start End Hrs Activity Description



06:00      06:00      24.0 FLOWED 578 MCF, 1 BO & 2 BW IN 24 HRS ON 12/64" CK, FTP 950 & CP 1000 PSIG.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED  
OMB NO. 1004-0137  
Expires: March 31, 2007

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other						5. Lease Serial No. <b>U-0281</b>			
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other _____						6. If Indian, Allottee or Tribe Name			
2. Name of Operator <b>EOG Resources, Inc.</b>						7. Unit or CA Agreement Name and No. <b>Chapita Wells Unit</b>			
3. Address <b>600 17th Street, Suite 1000N, Denver, CO 80202</b>				3a. Phone No. (include area code) <b>303-824-5526</b>		8. Lease Name and Well No. <b>Chapita Wells Unit 700-3GR</b>			
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface <b>1929' FNL &amp; 599' FEL (SENE) 40.066906 LAT 109.418825 LON</b> At top prod. interval reported below <b>Same</b> At total depth <b>Same</b>						9. AFI Well No. <b>43-047-36834</b>			
14. Date Spudded <b>12/10/2006</b>						15. Date T.D. Reached <b>02/16/2007</b>			
16. Date Completed <b>03/22/2007</b> <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.						10. Field and Pool, or Exploratory <b>Natural Buttes/Green River</b>			
18. Total Depth: MD <b>3260</b> TVD						11. Sec., T., R., M., on Block and Survey or Area <b>Sec. 3-T9S-R22E</b>			
19. Plug Back T.D.: MD <b>3260</b> TVD						12. County or Parish <b>Uintah County</b>			
20. Depth Bridge Plug Set: MD TVD						13. State <b>UT</b>			
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) <b>No logs were run.</b>						17. Elevations (DF, RKB, RT, GL)* <b>4842' NAT GL</b>			
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)									
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-537		230 sx			
7-7/8"	5-1/2"	15.5#	J-55	0-3135		440 sx			
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2-3/8"	3060								
25. Producing Intervals					26. Perforation Record				
Formation		Top	Bottom	Perforated Interval		Size	No. Holes	Perf. Status	
A) <b>Green River</b>		3135	3260						
B)									
C)									
D)									
27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Depth Interval			Amount and Type of Material						
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
03/22/2007	03/26/2007	24	→	1	578	2			<b>FLOW FROM WELL</b>
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. 1000	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
12/64"	950			1	578	2			<b>PRODUCING GAS WELL</b>
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

\*(See instructions and spaces for additional data on page 2)

RECEIVED  
APR 06 2007  
DIV. OF OIL, GAS & MINING

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

**No logs were run on the referenced well.**

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
<b>Green River</b>	<b>3135</b>	<b>3260</b>			

32. Additional remarks (include plugging procedure):

**SEE ATTACHED SHEET.**

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)   
 ☐ Geologic Report   
 ☐ DST Report   
 ☐ Directional Survey  
☐ Sundry Notice for plugging and cement verification   
☐ Core Analysis   
☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) **Mary A. Maestas**Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**04/05/2007**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 7

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**REPORT OF WATER ENCOUNTERED DURING DRILLING**

---

Well name and number: CWU 700-03GR

API number: \_\_\_\_\_

Well Location: QQ SENE Section 3 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIG'S ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1367

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
220	223	NO FLOW	NOT KNOWN

Formation tops:      1 \_\_\_\_\_      2 \_\_\_\_\_      3 \_\_\_\_\_  
                                    4 \_\_\_\_\_      5 \_\_\_\_\_      6 \_\_\_\_\_  
                                    7 \_\_\_\_\_      8 \_\_\_\_\_      9 \_\_\_\_\_  
                                    10 \_\_\_\_\_      11 \_\_\_\_\_      12 \_\_\_\_\_  
                                    (Top to Bottom)

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

---

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 4/5/2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**5. Lease Serial No.  
UTU0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
CHAPITA WELLS UNI8. Well Name and No.  
CHAPITA WELLS UNIT 700-03GR9. API Well No.  
43-047-3683410. Field and Pool, or Exploratory  
NATURAL BUTTES/GR RIVER11. County or Parish, and State  
UINTAH COUNTY, UT**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
EOG RESOURCES INCContact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com3a. Address  
600 17TH STREET SUITE 1000N  
DENVER, CO 802023b. Phone No. (include area code)  
Ph: 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 3 T9S R22E SENE 1929FNL 599FEL  
40.06691 N Lat, 109.41883 W Lon**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat.

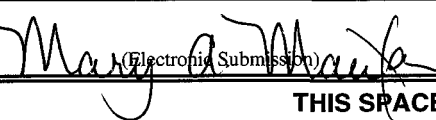
14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #58319 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 01/29/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*****RECEIVED**  
**FEB 04 2008**  
DIV. OF OIL, GAS & MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:  
3160  
(U-922)

February 14, 2008

EOG Resources Inc.  
600 Seventeenth Street  
Suite 1000N  
Denver, CO 80202

Re: Non-Paying Well Determination  
CWU 700-3GR Well, Chapita Wells Unit  
Uintah County, Utah

Gentlemen:

Pursuant to your request of February 11, 2008, it has been determined by this office that under existing conditions the following well is not capable of producing unitized substances in paying quantities as defined in Section 9 of the unit agreement.

API Number	Well Name	Location	Comp. Date	Lease
4304736834	CWU 700-3GR	SENE 3 9.0 S 22.0 E SLB&M	03/22/2007	UTU0281

All past and future production from this well shall be handled and reported on a lease basis.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond  
Chief, Branch of Fluid Minerals

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FEB 15 2008  
DIV. OF OIL, GAS & MINING